

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1379387-001

Total Deleted Page(s) = 6

Page 146 ~ b6; b7C;

Page 197 ~ b6; b7C; b7D;

Page 233 ~ b3; b6; b7C; b7D;

Page 288 ~ b6; b7C; b7D;

Page 289 ~ b6; b7C; b7D;

Page 290 ~ b7D;

XXXXXXXXXXXXXXXXXXXXXXXXX

X Deleted Page(s) X

X No Duplication Fee X

X For this Page X

XXXXXXXXXXXXXXXXXXXXXXXXX

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/23/93

[redacted] white male. Date of Birth (DOB) [redacted]
[redacted] place of employment [redacted]
[redacted] was advised of the identity of
the interviewing Agent and the purpose for the interview. Also
present was [redacted]
of STRAIGHT, INCORPORATED.

b6
b7C
b7D✓
CWS

[redacted]
[redacted] shut-down phase
of STRAIGHT, INCORPORATED (STRAIGHT) which terminated its
business in June 1993. [redacted] was employed
at STRAIGHT as [redacted]

b6
b7C
b7D

While employed at STRAIGHT [redacted] responsibilities
included [redacted]

b6
b7C
b7D

[redacted] immediate supervisor was [redacted]

[redacted] believed that the Michigan and Atlanta,
Georgia programs are currently operating as independent
adolescent drug treatment centers. When these facilities closed
STRAIGHT sold the assets to the directors or owners in Michigan
and Georgia. There was no exchange of funds or receivables;
however, Michigan and Georgia did receive the assets, to include
the desks, typewriters, and other office equipment.

b6
b7C
b7D

In August 1992 [redacted] purchased the Orlando,
Florida program; however, he only made one payment to STRAIGHT.
[redacted] only purchased the office assets, not the receivables
for this program [redacted] did not, nor did [redacted]
[redacted] participate in the negotiations
for these exchanges. Although the Board of Directors did approve

b6
b7C
b7D

Investigation on 12/13/93 at [redacted] File # 209B-TP-28810

b6
b7C
b7D

by SA [redacted] lm Date dictated 12/13/93

209B-TP-28810-69
BT BT

2006 11

C/A [redacted] all
w/c sent

b6
b7c

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 12/13/93, Page 2

the final sale of the Michigan, Atlanta, Georgia, and Orlando, Florida programs, [REDACTED] negotiated the terms of the exchanges.

[REDACTED] most documentation and files for STRAIGHT, to include medical records and financial information, were destroyed by [REDACTED] on March 4, 1993. [REDACTED] did make available to the investigative agent a receipt for payment of the disposal of these documents to a waste management corporation.

Those present when the files were destroyed were

[REDACTED] had no opinion or knowledge as to why [REDACTED] felt these documents should be destroyed. [REDACTED] did state [REDACTED] insisted that the files be destroyed.

[REDACTED] each program had a bank account in the state or the area where they were operating. Upon receipt of incoming funds or payment, to include insurance reimbursements, the programs would direct deposit the money into a local account, which would then be wire transferred to the national headquarters in St. Petersburg, Florida. [REDACTED] the accounting functions for STRAIGHT for all programs nationwide, were centralized at the headquarters in St. Petersburg, Florida. It was also the policy that no matter what funds came into the programs these funds were to be deposited into the account and a wire transfer was to be made to St. Petersburg, Florida. Many times this money was spent before headquarters was aware of the source of the funds. Even if the funds were to be returned or refunded to a patient's family because of the insurance payment, many times the money was spent on operating expenses, not returned to the parents.

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 12/13/93, Page 3

[REDACTED] STRAIGHT was experiencing severe cash flow problems and were making their payment decisions on the premise they "would do anything to keep the program running." On one occasion [REDACTED] did inform [REDACTED] that it was wrong not to refund the parents the insurance reimbursement funds. [REDACTED] was aware that this particular issue was a problem and the possibility of lawsuits regarding this issue; however, they continued to adhere to the policy of paying other bills first prior to reimbursing the families money owed them.

b6
b7C
b7D

[REDACTED] currently the Board of Directors has instructed him to inform all those individuals in insurance reimbursement that they are owed money by STRAIGHT. To date he has sent out approximately 114 letters and received 14 responses to these letters and 13 were returned for bad addresses. [REDACTED] believes that the Board of Directors may have been aware that there were outstanding debts; however, not to the extent that existed.

b6
b7C
b7D

During [REDACTED] there were no corporate credit cards; however, he was aware of an account at [REDACTED] [REDACTED] only observed the billing part of a credit card, not the documents indicating the charges for these balances.

b6
b7C
b7D

[REDACTED] reiterated that the priority of payment was based on "whoever can shut us down now received payment first."

[REDACTED] is not aware of actual knowledge the Board of Directors had regarding the cash flow crisis. [REDACTED] did inform [REDACTED] that the Board of Directors were aware of the severity of the problems.

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/9/93

On December 9, 1993 [redacted] was located at [redacted]

[redacted] An interview was conducted on December 9, 1993, and the following information was obtained:

[redacted] was employed with STRAIGHT, INC. in [redacted] [redacted] left to seek employment elsewhere. He explained that the Dallas STRAIGHT office had a 50% turnover due to employee/management problems.

[redacted] occasionally worked patient or client intake where he was told by [redacted] to place teens in the program even if a teen did not qualify for the program.

[redacted] felt that some teens were placed there unfairly and they did not belong there. Employees were told by administrators that their salaries were maintained through a reasonable amount of patients. They were encouraged to use high pressure techniques to convince parents to enroll their teens in the program. [redacted] had no monetary/financial dealings with the patients or their parents. He had no knowledge of fraudulent medical records being created and he also had no knowledge as to whether medical records were falsified.

[redacted] recommended that the FBI contact [redacted] [redacted] at STRAIGHT for a long period of time, to obtain information, if the FBI has not already done so. He could not provide information on [redacted] whereabouts.

Investigation on 12/9/93 at Atlanta, Georgia File # 209B-TP-28810

by SA [redacted] /nb Date dictated 12/9/93

20913-TP-23810-70

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 7 1994	
CTA	all

re sent

b6
b7c

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 1/3/94

TO : SAC, TAMPA *PLA*
 FROM : SAC, ATLANTA (209B-TP-28810) (SQ 10) (RUC)
 SUBJECT :

ET AL;
 STRAIGHT, INCORPORATED,
 GANDY BOULEVARD,
 ST. PETERSBURG, FLORIDA;
 FBW - INSURANCE;
 OO: TAMPA

Re Tampa airtel to Atlanta dated 11/10/93.

Enclosed for the Tampa Division is an FD-302 reflecting the interview of

Inasmuch as all leads in the Atlanta Division have been completed, this case is being placed in an RUC status.

2-Tampa
 1-Atlanta
 BDDC:ncm
 (3)

Approved: *ACT / JCA*

Transmitted

(Number) (Time)

Per

JAN 7 1994

209B-TP-28810-71

SEARCHED	INDEXED
SERIALIZED	FILED

alt

*wlc sent*b6
b7Cb6
b7Cb6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/5/94

[redacted] white female. Date of Birth (DOB) [redacted]
[redacted] telephone [redacted]
[redacted] was advised of the identity of the interviewing
Agent and the purpose for the interview. [redacted] made
available the following information:

[redacted] was employed by STRAIGHT
INCORPORATED (STRAIGHT) from [redacted] was
involved in many aspects of the STRAIGHT program, to include
[redacted] last [redacted]
of employment was in the position of [redacted]
[redacted]

[redacted] the following individuals were
employed at STRAIGHT: [redacted]

[redacted]


continued by advising that there were physicians and
psychiatrists employed full time for STRAIGHT. Although the
medical physician was not present on a full-time basis, each
individual who entered into STRAIGHT for treatment was evaluated
by this physician. The last known physician employed by STRAIGHT
was [redacted] could not recall the
identity of the psychiatrist who conducted the examinations of
the patients [redacted] does recall typing reports of these
examinations for all patients at STRAIGHT. In addition [redacted]
recalled that those individuals who were responsible for the
operations of the group therapy were required to have their
Masters degree.

[redacted]
did travel to Spain to meet with [redacted]

Investigation on 12/27/93 at [redacted] File # 209-TP-28810

by SA [redacted] lm Date dictated 12/30/93

209B-TP-200810-72
BT BT

ClA  all
wlc bent

b6
b7C

209-TP-28810

Continuation of FD-302 of [REDACTED], On 12/27/93, Page 2

[REDACTED] believed that [REDACTED] traveled to Spain to discuss with [REDACTED] the opening of a facility in Spain. [REDACTED] does not know why [REDACTED] had to travel to Spain for this discussion; however, their expenses were paid by STRAIGHT. [REDACTED] travel arrangements for [REDACTED] to include a trip to Montreal, Canada. [REDACTED] did not participate in the travel arrangements to Spain. [REDACTED] traveled to Montreal, Canada to attend a conference for drug treatment facilities for adolescents.

b6
b7C
b7D

[REDACTED] STRAIGHT did not have a treatment facility in Las Vegas, Nevada; however, when [REDACTED] traveled to various programs they would also stop in Las Vegas, Nevada. [REDACTED] does not know why [REDACTED] went to Las Vegas, however, these expenses were charged to STRAIGHT.

b6
b7C
b7D

[REDACTED] was aware that the individuals employed at STRAIGHT, to include [REDACTED] were utilizing the corporate credit cards for their personal use. [REDACTED] does believe that the accounting department did bill these individuals for their personal expenses; however, there are no documents to prove this fact. [REDACTED] did not have the opportunity to review the monthly credit card charges, and was only aware of [REDACTED] had heard that some executives had charge accounts at [REDACTED] however, she had no information regarding credit card bills at [REDACTED]

b6
b7C
b7D

Although [REDACTED] was aware of the severe cash flow problems occurring at STRAIGHT, she did not have direct interaction with the accounting functions for STRAIGHT.

[REDACTED]

b3
b6
b7C
b7D

209-TP-28810

Continuation of FD-302 of [REDACTED], On 12/27/93, Page 3

b3
b6
b7C
b7D

[REDACTED]

To the best of her knowledge [REDACTED] believed that the board of directors were aware of the financial problems at STRAIGHT because [REDACTED] informed them during the board meetings. [REDACTED] when [REDACTED] informed the board of directors of the severity of the crisis at STRAIGHT. Those individuals attending the board of directors meetings were [REDACTED]

[REDACTED]

[REDACTED] further advised that a yearly audit of the financial status of STRAIGHT was conducted by a Certified Public Accountant (CPA) firm from Tampa, Florida.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/13/93

[redacted] date of birth [redacted] was interviewed at [redacted]. After being advised of the identity of the interviewing agent and the nature of the interview, the following information was provided:

[redacted] is temporarily residing at [redacted] telephone [redacted]

[redacted] previously employed as [redacted] for STRAIGHT, INCORPORATED (STRAIGHT), [redacted] from approximately [redacted]

[redacted] estimated her salary at STRAIGHT to be [redacted] per year when she left.

[redacted]

Even though the local STRAIGHT facility handled their own patient billing and collections, officials in STRAIGHT's corporate offices in Florida dictated virtually everything the local office did, even down to sending the local office their petty cash allotment. Collections were deposited to a local bank account which was "swept" daily and transferred to the main corporate accounts.

STRAIGHT was JACHO or "Joint Commission" approved.

STRAIGHT was only an out-patient clinic in that STRAIGHT provided no direct room and board services. However, insurance companies would pay STRAIGHT as though it was an in-

Investigation on 12/8/93 at [redacted] File # 209B-TP-28810

by SA [redacted] Date dictated 12/8/93

b6
b7C
b7Db6
b7C
b7Db6
b7C
b7Db6
b7C
b7Db6
b7C
b7D

clh [redacted] alk

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 12/8/93, Page 2

patient facility due to the number of hours each patient spent at the facility each day, estimated by [REDACTED] at about 8 hours per day. Patients went through five phases of treatment, with Phase I, which typically lasted 1 to 4 weeks, requiring the patient to remain at the facility from 7:00 am until 8:00 pm, each day. As patients progressed through the treatment phases, the amount of time spent at the facility decreased.

b6
b7C
b7D

STRAIGHT used what was described as "host homes". The "host home" was provided by the parents of a STRAIGHT patient. The patients were required to reside in host homes. A host home group would be formed consisting of the parents of the patients residing in a particular host home. The group was required to pay for the costs of operating the host home.

STRAIGHT charged a "base" fee for their treatment plan of \$12,000. If STRAIGHT collected for "in-patient" services from the insurance companies, STRAIGHT was to make payment to the host home group for covering the host home costs.

b6
b7C
b7D

[REDACTED] it was her understanding that the insurance companies knew and approved of the host home concept. [REDACTED] cited in particular the self-insured plan of ELECTRONIC DATA SYSTEMS (EDS), Dallas, Texas. [REDACTED] was the administrator of the EDS plan and that he was aware of and approved of the "in-patient" billing due to the host home concept. [REDACTED] the insurance companies were willing to pay these amounts since the overall cost of STRAIGHT's treatment program was substantially less than that of other programs.

b6
b7C
b7D

[REDACTED] identified [REDACTED] as the facility's medical doctor. [REDACTED] provided no psychiatric care. To [REDACTED] knowledge, any services for which [REDACTED] was paid were rendered by him.

[REDACTED] identified [REDACTED] as being one of STRAIGHT's staff psychiatrists. STRAIGHT usually only had 1 or 2 psychiatrists on staff depending on the number of patients. Also, patients would often be referred to other doctors if they weren't responding to the staff psychiatrists.

b6
b7C
b7D

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 12/8/93, Page 3

b6
b7C
b7D

STRAIGHT charged an initial fee of \$1,100.00, which consisted of \$500.00 for a physical and \$600.00 for a psychiatric work-up. These services were always provided and the patient's parents were always provided with the results of these examinations.

b6
b7C
b7D

[REDACTED] initially defended STRAIGHT's practices and procedures, but acknowledged that she resigned due to disagreements with the policies dictated by the corporate office.

One area of disagreement was [REDACTED] bill for the number of hours of therapy a patient received. Many times patients would be in group therapy with a Certified Alcohol Drug Abuse Counselor (CADAC) therapist, but they would be billed as though the therapy was conducted by the psychiatrist. The psychiatrists would sign off on these therapy reports. The reports reflected that the therapy was provided by the psychiatrist, not the therapist.

[REDACTED] would come to the facility weekly, see the patients one on one, and sign the therapy reports. In fact, the reason [REDACTED] eventually quit was because she wanted STRAIGHT to pay for a portion of her liability insurance since she was signing off on these reports.

b6
b7C
b7D

[REDACTED] another area of disagreement to also center around the billing procedure. [REDACTED] some group therapy was being conducted by counselors who were described as being junior and senior "para-professionals". These individuals were not certified counselors and, in fact, were simply former graduates of STRAIGHT's program. These therapy sessions were also billed as though conducted by a psychiatrist and the therapy reports were signed off on by the doctor.

b6
b7C
b7D

[REDACTED] cited other areas of disagreement which centered around STRAIGHT's financial practices and condition.

[REDACTED] opposed to being instructed to go to the parents and ask for "contributions" to pay for STRAIGHT's overhead. [REDACTED] even though [REDACTED] facility was probably netting around \$50,000 per month, STRAIGHT's overall operation was in poor financial condition since their other facilities were not all paying their way. [REDACTED]

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 12/8/93, Page 4

b6
b7C
b7D

stated the reason was that STRAIGHT's treatment fee was underpriced and could not support the corporation's overhead. STRAIGHT's base charge continued to be \$12,000, however, since the company knew they could bill insurance companies for that amount without any "hassle" [REDACTED] acknowledged that different insurance companies were charged different amounts simply based on whatever that insurance company would pay.

[REDACTED] it was possible that some insurance company refunds and overpayments due to the parent's were never paid to the parents by STRAIGHT. [REDACTED] left, she knows that some parents had not been paid. Parent's were required to assign their insurance benefits to STRAIGHT when the treatment was initiated. Typically, any payments due to the parents for reimbursement of amounts already paid or for the fees to the host home group were received by STRAIGHT from the insurance company, and STRAIGHT would then have to issue a check to the parents. These amounts would sometimes be as much as \$5,000.00.

b6
b7C
b7D

Due to STRAIGHT's poor financial condition, it had become common for STRAIGHT not to immediately reimburse the parent for overpayments received from insurance companies. These payments were typically 30 to 90 days past due and in some cases as much as 120 days. Sometimes, STRAIGHT would receive the money and then pay the parents in installments. [REDACTED] received her instructions regarding these refunds from [REDACTED]

b6
b7C
b7D

[REDACTED] indicated that on a few occasions, she sent checks back to the insurance companies and instructed them to change the payee to the parent to ensure that the parent would receive the refund. [REDACTED] would likely have been fired had the STRAIGHT corporate office known of this.

[REDACTED] when parents first came to STRAIGHT they were not told everything about the program. For example, they were not necessarily told they eventually would be required to provide a host home. [REDACTED] insurance companies also were not told that the parents would eventually be required to provide a host home.

b6
b7C
b7D

When [REDACTED] she was asked to "lie" to the parents. The parents were lied to about the condition of the host homes. Host home parents were lied to

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 12/8/93, Page 5

about when they were to be relieved by another set of parents. The parents were reassured that STRAIGHT's financial situation would be improving when, in fact, it would not. Misrepresentations were made to parents about STRAIGHT's operating expenses when parents were solicited for "contributions".

she most often dealt with were [REDACTED] an individual [REDACTED] could only identify as a male with the last name of either [REDACTED] or [REDACTED] who was [REDACTED] and [REDACTED] [REDACTED] identified [REDACTED] as the owner of STRAIGHT [REDACTED] recalled that [REDACTED] had all visited the [REDACTED] at some time [REDACTED] described any trip they made to [REDACTED] area as being strictly business related.

[REDACTED] aware that [REDACTED] had once travelled to Spain, but it was [REDACTED] understanding that [REDACTED] intended to start a rehab center there and that was the purpose for the trip.

[REDACTED] provided that there were these other individuals who could likely provide additional information regarding STRAIGHT's operations:

[REDACTED] last known address was [REDACTED]

[REDACTED] last known address [REDACTED]

[REDACTED] has married since she left straight [REDACTED] had no information regarding her married name or current address. Her previous telephone number was [REDACTED] [REDACTED] did provide that [REDACTED] husband was once employed as [REDACTED]

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 12/8/93, Page 6

[REDACTED]
[REDACTED] The most recent address [REDACTED] had regarding
[REDACTED] was [REDACTED]
[REDACTED]

b6
b7C
b7D

[REDACTED]
[REDACTED] The most recent address [REDACTED] had
regarding [REDACTED] was [REDACTED]
[REDACTED]

b6
b7C
b7D

The following identifying information was obtained
regarding [REDACTED]

NAME:
RACE:
SEX:
DATE OF BIRTH:
SOCIAL SECURITY #:
PERMANENT ADDRESS:

[REDACTED]
WHITE
FEMALE

[REDACTED]

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/27/93b6
b7C

[redacted] date of birth [redacted] was interviewed at his residence by a Special Agent of the FEDERAL BUREAU OF INVESTIGATION who properly identified himself and who apprised him of the reason for interview, which he said he understood. [redacted] was queried regarding his knowledge of STRAIGHT as follows:

b6
b7C

1) How did the families become involved with STRAIGHT?

[redacted] said he read about STRAIGHT in the magazine, "Texas Monthly," during the summer of 1990.

2) How long was their child a patient at STRAIGHT, and what type of care was received, to include psychiatric and psychological counselling, and what physician counselled their child?

b6
b7C

From [redacted] daughter, [redacted] at that time, was an in-patient at STRAIGHT in Dallas. The address of STRAIGHT, Dallas, was 2900 Gateway Drive, Suite 600, Dallas, 75063. In-patient care included prescription medication and treatment, excluding psychiatric care. Group and individual counselling was conducted and it was [redacted] understanding that there were psychologists at STRAIGHT [redacted] advised that several doctors, whose names he does not remember, counselled [redacted] his stepdaughter, and that the treatment seemed somewhat like "musical chairs," with the consulting physician changing very often. The only name [redacted] was able to remember was one physician by the name of [redacted]

3) The amount of fees charged, and any explanation of these fees that they may have received from management of STRAIGHT, INCORPORATED.

Investigation on 12/12/93 at [redacted] File # 209B-TP-28810

by SA [redacted] tds Date dictated 12/14/93

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 12/12/93, Page 2

STRAIGHT required \$3,500 as an entrance fee, supposedly to cover the first weeks or months of treatment. As far as [REDACTED] could tell, STRAIGHT used only about \$500 of the funds in May 1990, owing the remainder of \$3,000. The [REDACTED] family was returned \$1,000 by STRAIGHT, but to date STRAIGHT still owes \$2,000.

b6
b7C

- 4) Identify the insurance carrier which provided coverage for the treatment at STRAIGHT, INCORPORATED, to include the name of the insurance company and a contact number or representative of the insurance company.

b6
b7C

The insurance company utilized by the [REDACTED] family was TRAVELERS, operated out of [REDACTED] by insurance agent [REDACTED]. [REDACTED] advised that [REDACTED] no longer handles [REDACTED] but that he might be able to provide some information regarding whether STRAIGHT ever provided his agency with any paperwork that had to do with [REDACTED] treatment in Dallas. [REDACTED] said he never received any paper from [REDACTED] or STRAIGHT, of any kind. [REDACTED] explained that the apparently usual procedure utilized by STRAIGHT was that the insured person gave signed authorization to STRAIGHT, to draw on the insurance policy. [REDACTED] added that he has no idea of how many payments or any amounts thereof were made to STRAIGHT by TRAVELERS INSURANCE and that he never received one piece of paper from STRAIGHT regarding any transactions.

- 5) Inquire of the parents as to whether or not they obtained any results of testing conducted by STRAIGHT, INCORPORATED, and their understanding of the services provided and the service included in the \$600 medical payment required upon admission.

b6
b7C

[REDACTED] advised that he got a copy of one medical report, which he no longer has, and that he and [REDACTED] were given a verbal report when they would visit STRAIGHT in Dallas. [REDACTED] visited [REDACTED] in Dallas every other weekend. It was the [REDACTED] understanding that the \$3,500 provided upon [REDACTED] entry into in-patient service at STRAIGHT may have included \$600, but he never really understood why STRAIGHT required \$3,500 as an initial payment.

209B-TP-28810

b6
b7C

Continuation of FD-302 of [REDACTED], On 12/12/93, Page 3

- 6) Inquire of the parents as to whether their child was an in-patient at STRAIGHT, INCORPORATED, in view of the fact that their insurance companies were billed for room and board services.

b6
b7C

[REDACTED] said he understood that all costs were covered and included room and board, as well as medical and psychological consulting fees. He reiterated that [REDACTED] was a patient at STRAIGHT from [REDACTED]

- 7) Inquire of the parents as to whether they were refunded money from STRAIGHT, INCORPORATED from their insurance reimbursements.

b6
b7C

[REDACTED] advised that he received nothing other than a partial repayment of the \$3,500, which was initially paid upon [REDACTED] entry into STRAIGHT in-patient care.

- 8) In addition, inquire in the interview of former clients (or parents of clients of STRAIGHT, INCORPORATED) as to whether they were informed of any scholarship or government funding programs and whether or not they received these funds.

b6
b7C

[REDACTED] appeared rather surprised at the above query, stating that he never heard that any scholarships, loans or grants were available.

- 9) Did these individuals have any interaction with the headquarters facilities in St. Petersburg, Florida and if so, who was their contact within STRAIGHT?

b6
b7C

[REDACTED] advised that [REDACTED] called STRAIGHT in Florida attempting to collect her refund numerous times, during the period May 1991 through March 1993. At first she was told just to be patient, that STRAIGHT would send her \$500 per month. She was sent two checks four or five hundred, but received no further repayment. Additional inquiries by [REDACTED] received the answer that the checks were "on the desk" ready to be mailed but that the [REDACTED] would be obliged to wait until there was enough money in the bank to cover them. "The checks evidently never made it to the mail," observed [REDACTED]. He added that there was a constant change of personnel, that neither

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 12/12/93, Page 4

b6
b7C

he nor [REDACTED] ever talked to the same person twice, that the calls were never returned and that by the end of the whole episode, he and [REDACTED] probably talked to 25 people. Neither [REDACTED] could remember the names of anyone to whom they talked, other than [REDACTED] and [REDACTED]

[REDACTED] said he has no documents regarding insurance payments or billing. He knew no one who experienced similar problems with STRAIGHT, INCORPORATED and could provide no additional information, other than the fact that, during the times they would visit [REDACTED] in Dallas, numerous, lengthy meetings were almost mandatory and that he got the distinct impression they were nothing more than sales pitches. During these conferences, little of substance regarding [REDACTED] continuing treatment was discussed; however, the staff insisted, to the point of publicly embarrassing the parents of the patients, that they sell such things as Christmas wrapping paper and greeting cards and that, if they lived in [REDACTED] area, they participate in operation of refreshment stands at sporting events held by STRAIGHT. [REDACTED] said that in order to satisfy STRAIGHT, he and [REDACTED] sold some Christmas wrapping paper and greeting cards in the Petersburg area and that eventually they forwarded perhaps \$400 - \$500, which they largely paid themselves.

b6
b7C

[REDACTED] observed that confining [REDACTED] at STRAIGHT probably did help somewhat, but that he does not consider that a 100% cure was affected. He does not know anything of methods of treatment utilized by STRAIGHT in [REDACTED] case and that he believes that [REDACTED]

b6
b7C

[REDACTED] was unable to provide any information other than that provided by her husband and interview was terminated.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/16/93

[redacted]
[redacted] FARM BUREAU INSURANCE, was interviewed by a Special Agent of the FEDERAL BUREAU OF INVESTIGATION, who properly identified himself and who apprised him of the reason for interview, which he said he understood.

[redacted] remembered [redacted] situation (regarding [redacted] but advised that he [redacted] never received any paperwork whatsoever, from STRAIGHT, regarding payment of insurance claims. He added that he no longer is [redacted] and has no papers regarding [redacted]

[redacted] advised that the RURAL HEALTH DEPARTMENT, TEXAS FARM BUREAU, Waco, Texas, 817/772-3030, may be able to provide documentation regarding [redacted] situation and/or STRAIGHT.

209B-TP-28810-75

INDEXED
FILED

Investigation on 12/12/93 at [redacted] File # 209B-TP-28810

by SA [redacted] tds Date dictated 12/13/93

209B-TP-28810

KAL/kal

(1)

b6
b7C

The following investigation was conducted by Special Agent
(SA) [redacted] at Fort Worth, Texas with regard to [redacted]
[redacted] on December 29, 1993:

Investigation determined that [redacted] no longer resides
at [redacted] Utility accounts in the
name of [redacted] at that address, were closed in April 1991.
At the time the account was closed, a forwarding address of [redacted]
[redacted] was given.

209B-TP-28810-76

BT BT

DEC 31 1993

b6
b7C

CLA [redacted] alk

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/30/93

[redacted] white, male, date of birth
[redacted] was served with a U.S. District Court, Middle District
of Florida, Federal Grand Jury Subpoena for [redacted]
[redacted]

b3
b6
b7C

209B-TP-28810-77

But But

11/30/93

b3
b6
b7C

Investigation on 11/30/93 at [redacted] File # 209B-TP-28810

by SA [redacted] Date dictated 11/30/93

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/30/93

[redacted] female, date
of birth [redacted]
telephone [redacted] was served with a U.S. District Court,
Middle District of Florida, Federal Grand Jury Subpoena for
[redacted]

b3
b6
b7C209B-TP-28810-78
BTJ BTJ

Investigation on 11/30/93 at [redacted] File # 209B-TP-28810
by SA [redacted] Date dictated 11/30/93

b3
b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 1/6/94

TO : SAC, TAMPA (PRA)
 FROM : SAC, DALLAS (209B-TP-28810) (WCC5) (P)
 SUBJECT :
 ET AL;
 FBW-INSURANCE;
 OO: TAMPA

Re Tampa airtel to Atlanta, dated 11/10/93.

Enclosed for Tampa are the following:

1. The original and one copy of an FD-302 setting forth the results of an interview of on 12/8/93.
2. The original and one copy of an FD-302 setting forth the results of an interview of on 12/12/93.
3. The original and one copy of an FD-302 setting forth the results of an interview of on 12/12/93.
4. Two (2) 1-A envelopes containing the original notes of the interviews of
5. Two (2) copies of an investigative insert concerning attempts to locate and interview

③-Tampa (Enc. 16) ✓
 2-Dallas
 MRH/amh
 (5)

209B-TP-28810-79

SEARCHED INDEXED
 SERIALIZED FILED

JAN 11 1994

CLERK

Approved: _____

Transmitted _____

(Number) (Time)

wlc sent

b6
b7Cb6
b7C
b7Db6
b7C

6. An executed Federal Grand Jury subpoena for

[REDACTED]

b3
b6
b7C

7. An executed Federal Grand Jury subpoena for

[REDACTED]

8. The original and one copy of an FD-302 concerning the service of [REDACTED] subpoena.

9. The original and one copy of an FD-302 concerning the service of [REDACTED] subpoena.

Investigation is continuing at Dallas.

Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA) (P) Date 1/5/94

From : SA [redacted]

Subject: [redacted]

ET AL;
STRAIGHT INCORPORATED;
FBW-INSURANCE;
(OO: TAMPA)

b6
b7C

Purpose:

Request assistance of financial analyst.

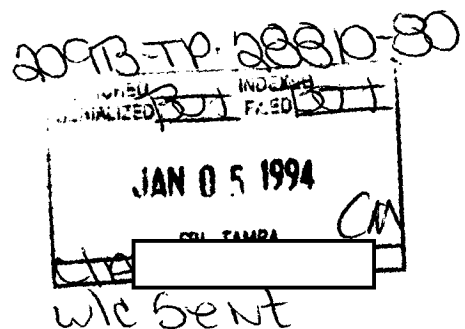
The purpose of this memo is to request the assistance of Financial Analyst [redacted] of the Pinellas RA to conduct an analysis of [redacted]

b3
b6
b7C

[redacted] is requested to review [redacted]

cm ② Tampa
CFB:rp
(2)

Lead covered
per FA [redacted]
CM
1/18/94



b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/11/94

[redacted] who is a white male, date of birth [redacted] place of birth [redacted] Social Security Account Number [redacted] home address [redacted] home telephone [redacted] was advised of the identity of the interviewing Agent and the nature of the interview. [redacted] provided the following information:

b6
b7C

[redacted] first heard of STRAIGHT, INCORPORATED (SI) from [redacted] son [redacted] was heavily into drug use and [redacted] was looking for help for his son [redacted] was referred to SI in Dallas.

b6
b7C

[redacted] was admitted to SI in Dallas. [redacted] and stayed there until [redacted] commented that his son progressed very quickly at SI and was discharged early. The normal period of stay at SI for individuals with a substance abuse problem is approximately 18 months.

[redacted] advised that SI had a medical person on site that he believed was a registered nurse. There was not a medical doctor, psychologist, or psychiatrist on site. Several of the staff members that [redacted] spoke to had degrees in counseling and related subjects. If an individual needed treatment by a psychologist or psychiatrist the registered nurse on staff would make the necessary contacts to bring a psychiatrist or psychologist in. [redacted] believed that it would be a rare occurrence when a psychologist or psychiatrist would treat individuals at SI.

b6
b7C

[redacted] recalled that he paid approximately \$3,000 in up front fees to SI before they would admit [redacted] SI charged


b6
b7C

Investigation on 12/14/93 at [redacted] File # 209B-TP-28810

b6
b7C

by SA [redacted] :mtc Date dictated 12/14/93

20913-TP-28810-81

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 27 1994	
FBI TAMPA	
CIA	

w/c sent

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 12/14/93, Page 2

approximately \$1,000 per month during [REDACTED] stay at SI. After paying the \$3,000 up front fee to SI, [REDACTED] made contact with his insurance company and found out that [REDACTED] stay at SI would be covered under his insurance policy. [REDACTED] remembered that SI dealt directly with his insurance company for the receipt of most payments associated with [REDACTED] stay. [REDACTED] was reimbursed most of his \$3,000 up front payment to SI by his insurance company within 90 days of submission of the claim. [REDACTED] stated that he did not get stiffed by SI and that his only out of pocket insurance related expenses pertained to the policy deductible and co-insurance [REDACTED] insurance carrier was ALLIED INSURANCE COMPANY (ALLIED). He did not recall the policy number or the representative of ALLIED that he dealt with regarding this matter.

[REDACTED] did not recall a specific \$600 medical payment required to be submitted to SI upon the admission of his son. A counselor from SI did meet with [REDACTED] wife, and [REDACTED] when [REDACTED] was first admitted to SI. [REDACTED] was provided with the results of this evaluation and was very impressed with the results.

[REDACTED] spent approximately 12-14 hours a day at SI and then spent the night at a host home. [REDACTED] did not specifically recall how his insurance company was billed regarding the room and board services. [REDACTED] stated that he contributed approximately \$175 per month to the host home. He was reimbursed for most of this expense by his insurance company. [REDACTED] thought that he submitted bills regarding the host home to his insurance company separately and that SI was not involved in this billing.

[REDACTED] was not informed by SI of any scholarship or government funding programs pertaining to his son. [REDACTED] did not have any interaction with the SI headquarters facilities in St. Petersburg, Florida. [REDACTED] recalled only one other individual involved in the SI program in [REDACTED]. [REDACTED] advised that [REDACTED] currently works for [REDACTED].

209B-TP-28810

Continuation of FD-302 of , On 12/14/93, Page 3
b6
b7C

thought that he had thrown away all of his documents pertaining to his dealings with SI. stated that he would check his files and contact the interviewing agent if he finds any documents pertaining to insurance payments and billing.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/6/93

[redacted] who is a white female, date of birth [redacted] place of birth [redacted] was contacted at her place of business located at [redacted] [redacted] was advised of the identity of the interviewing agent and of the nature of the interview. [redacted] provided the following information:

[redacted] advised that her family first became involved with STRAIGHT, INC. (SI) through her [redacted] [redacted] was having problems pertaining to substance abuse with their daughter [redacted] looked into putting [redacted] into a substance abuse treatment center in the [redacted] area, but could not find a suitable location. [redacted] heard about SI in Dallas and [redacted] mutually decided to admit [redacted] to SI in Dallas.

[redacted] was a patient at SI for [redacted] She was admitted to SI on [redacted] and was released in [redacted] [redacted] spent the majority of her stay with SI in Dallas, but also spent several months at the SI facility in Tampa, Florida. [redacted] stated that she has a great deal of respect for the SI program in that her daughter would not be alive today if she had not completed the SI program. [redacted] [redacted] was [redacted] years old when she entered the SI program.

[redacted] recalled that most of the staff members at SI were either social workers or junior staff members. A junior staff member was an individual who was a former patient, had completed the program, and had elected to stay and help other substance abuse victims. [redacted] thought that there may have been a staff psychologist, but she was not sure. Consultations with psychiatrists were done off-site.

There were no up-front fees charged by SI before they would admit [redacted] insurance carrier, AETNA, paid a majority of the insurance bills relating to [redacted] stay at SI. [redacted] recalled that she and [redacted] did incur some

Investigation on 1/5/94 at El Paso, Texas File # 209B-TP-28810

by SA [redacted] dsv Date dictated 1/5/94

200BTP-28810-82

SEARCHED ~~BIT~~ FILED ~~BIT~~

JAN 27 1982

C/A



w/c some

[Handwritten signature]

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 1/5/94, Page 2

b6
b7C

miscellaneous expenses associated with [REDACTED] stay at SI, but no major expenses.

[REDACTED] spent the night at a host home and bused to and from SI everyday but Sunday. Several patients were grouped together at each host home. The cost per day to stay at the host home was \$10.00. Sunday was a day off from SI, and was spent at the host home.

[REDACTED] did receive results of tests conducted by SI, but did not remember any specifics of these tests. [REDACTED] did not recall a \$600.00 medical payment by SI before they would admit [REDACTED]

b6
b7C

[REDACTED] stated that she felt that [REDACTED] was an in-patient at SI, even though she slept at a host home. [REDACTED] stated that she felt this way due to the level of care [REDACTED] received while at SI. [REDACTED] was not informed by representatives of SI of any scholarship or government funding programs her daughter may have been eligible for. [REDACTED] did not have any interaction with SI's headquarters facilities in St. Petersburg, Florida.

[REDACTED] advised that she did not have any documents regarding insurance payments and billings pertaining to [REDACTED] stay at SI. [REDACTED] thought that [REDACTED] may have some records pertaining to insurance payments and billings. [REDACTED] did not know [REDACTED] address in [REDACTED] but provided the following telephone number for [REDACTED]

b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 1/6/94

TO : SAC, TAMPA
 (ATTN: PRA)

FROM : SAC, EL PASO (209B-TP-28810) (RUC)

SUBJECT :

STRAIGHT, INC.,
 GANDY BLVD.,
 ST. PETERSBURG, FLORIDA;
 FBW - INSURANCE;
 OO: TAMPA

Re Tampa airtel to Atlanta and others, dated
 11/10/93.

Enclosed for Tampa are the following items:

1. An original and two copies of an FD-302 for the
 interviews of
2. 1-A envelopes for the
 interviews.

As no further investigation remains in the El Paso
 Division, this matter is considered RUC'd.

②-Tampa (Enc. 8) *dhk*
 2-El Paso
 DDH:dsv
 (4)

209B-TP-28810-83

SEARCHED	INDEXED
SERIALIZED	FILED

JAN 27 1994

FBI-TAMPA

Approved: *dhk*

Transmitted

(Number) (Time)

Per *CH**w/c sent*b6
b7Cb6
b7Cb6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/30/93

[redacted]
[redacted] was interviewed. She related that her son, [redacted] had a drug problem and was a client of the Straight, Inc., in Springfield, Virginia, from [redacted] to [redacted] stated that she was divorced from her son's father and moved to an apartment in [redacted] [redacted] when her son graduated from the program.

b6
b7C

She advised that she first became aware of Straight through an acquaintance who knew someone who was in the Straight program and she and her ex-husband placed their son in Straight. She indicated that she had occasion to observe her son's medical records from Straight and saw that a psychiatrist had signed some of the forms, indicating that he had seen her son. She continued that every Monday and Friday evening, the parents would go to Straight and meet as a group with the clients. She recalled that the Straight officials were always looking for volunteers to drive the clients to a medical doctor or to the psychiatrist for a special session.

b6
b7C

[redacted] indicated that the fees Straight charged were approximately \$500.00 to \$600.00 per month. She stated that she always gave the money to her ex-husband and he paid Straight. She related that she did not recall Straight ever giving an explanation of the fees involved. She went on to explain that Straight was always attempting to collect additional monies from the parents. She recalled that they were billed approximately \$60.00 per month (bus charges) for transportation to a host family that was some distance away from the Straight facility. She stated that at the time, her ex-husband's insurance carrier was Transport Life, 714 Main Street, Fort Worth, Texas 76102. She did not recall how much money was paid initially, however, did see the results of blood work up and general physicals in her son's file.

Investigation on 12/20/93 at Ellicott City, Maryland File # 209B-TP-28810by SA [redacted] tj Date dictated 12/24/93b6
b7C

00913-TP-00810-84

SEARCHED INDEXED
SERIALIZED FILED

FEB 3 1993

CLA [redacted] w/c 501E

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 12/20/93 , Page 2

b6
b7C

[REDACTED] advised that Straight, Inc. had no facilities for inpatients as there were no sleeping quarters. She stated that the usual hours for Straight were 6:00 a.m. to 7:00 p.m. seven days a week. She indicated that it was later closed on Sundays. She never received any reimbursements or refunds from Straight for insurance payments. She recalled hearing that there were scholarships and government funding programs available, however, she did not have much knowledge concerning these programs. She indicated that she did not have any interaction with Straight headquarters in Florida. She related that she believed that Straight helped her son through his drug problem. She stated that [REDACTED] was in charge of the [REDACTED] facility and later [REDACTED] location. She related that rumor had it that [REDACTED] led people to believe that he had an apartment in [REDACTED] when in fact, he rented a room at the Holiday Inn and had a rental car. She believed that he also flew to Florida on weekends.

b6
b7C

[REDACTED] advised that in July, 1991, Straight closed the Springfield facility and opened Columbia, Maryland. [REDACTED] was

[REDACTED]

[REDACTED] related that she heard rumors that a new Volkswagen was donated to Straight in Springfield, Virginia in 1989 and that Straight raffled the vehicle. She continued that in 1990, she believed that Straight raffled a new Mazda Miata in Springfield, Virginia, however, when the winner arrived there was not a car, as Straight had not paid for this vehicle and it apparently was not donated. She believed that subsequently two doctors with children in the Straight program bought the car for the winner of the raffle. [REDACTED] stated that any monies collected were always sent to Straight headquarters in Florida. She indicated that headquarters never paid any of the bills. She stated that she had no knowledge of any possible double billing on the part of Straight.

209B-TP-28810

Continuation of FD-302 of _____, On 12/20/93, Page 3

b6
b7C

_____ advised that _____ facility had at female psychologist, _____ on call. _____ related that _____ would visit Straight once a week to review records and meet with clients. She also related that Straight used a psychiatrist in _____. Since he was not licensed in _____ the clients would have to be driven to his place of business in _____. _____ The parents paid the doctor directly as Straight could not pay him since he was out-of-state.

_____ provided a list of the following individuals who may have additional pertinent information, concerning Straight:

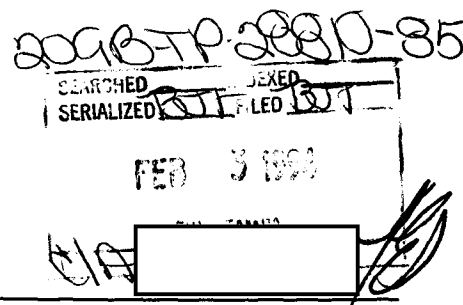
b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/30/93

[redacted]
[redacted] provided a bag of documentation obtained from Straight, Inc., [redacted] also advised that she was in the process of moving and that she could be recontacted in the future through [redacted]
[redacted] telephone [redacted]

b6
b7C
b7Db6
b7C
b7DInvestigation on 12/20/93 at [redacted] e # 209B-TP-28810by SA [redacted] tj Date dictated 12/24/93

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 1/26/94

TO : SAC, TAMPA (209B-TP-28810) *PRA*
 FROM : SAC, BALTIMORE (209B-TP-28810) (SQ 7) (RUC)
 SUBJECT :

ET AL;
 STRAIGHT INCORPORATED,
 GANDY BOULEVARD,
 ST. PETERSBURG, FLORIDA;
 FBW-INSURANCE;
 OO:TAMPA

Reference Tampa airtel to Atlanta, 11/10/93.

Enclosed for Tampa are the originals along with two copies of two FD-302's taken at the Baltimore Division along with documentation provided by

Contact with Alcohol and Drug Commission, State of Maryland, 201 W. Preston Street, Baltimore, Maryland, on 12/14/93, disclosed that any documentation that was in his possession regarding Straight could be obtained through a court order. He cited the Federal Confidentiality Law, Code of Federal Regulation, 42 CFR, wherein a patient's consent would be needed to release records. He did relate that the documentation in his possession contained patient history and host home information. He stated that he did not believe that he had any documentation regarding financial dealings of Straight.

u
 ③ - Tampa (Enclosures - *u* 4) (1 - Package Copy)
 2 - Baltimore
 HJM:jf
 (5)

Approved: *D. H. H.*

Transmitted

(Number) (Time)

Per

FEB 3 1994

209B-TP-28810-86

SEARCHED <i>BT</i>	INDEXED <i>BT</i>
SERIALIZED <i>BT</i>	FILED <i>BT</i>
FEB 3 1994	
Per 	

wlc sent

b6
b7Cb6
b7Cb6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/26/94

[redacted]
[redacted] telephone [redacted] was interviewed concerning his contact with STRAIGHT, INCORPORATED (STRAIGHT). After being advised of the official identity of the interviewing agent and purpose of the interview [redacted] provided the following information:

[redacted]
[redacted] he was having problems dealing with his daughter [redacted] then age [redacted] who was experiencing behavioral and drug abuse problems. [redacted] had already been through a course of treatment at [redacted] and was continuing to have problems. A former employee of STRAIGHT named [redacted] (phonetic) who was working with [redacted] at the time, suggested the program at STRAIGHT [redacted] subsequently took his daughter to the STRAIGHT facility in Irving, Texas.

[redacted] daughter was to undergo a six-month course of treatment although he withdrew her from the program prior to that time. No specific course of treatment for his daughter was ever discussed with [redacted] and he never met or was given the name of a physician or psychologist who would be involved in treating his daughter. The only thing approaching such a discussion was an orientation film [redacted] was shown which described the STRAIGHT program. He was never introduced to the professional staff of the facility such as counselors, therapists, etc.

The treatment program took place at the main facility in Irving, Texas, from approximately 8:00 a.m. to 5:00 p.m. daily and [redacted] daughter was housed in private homes during the evenings. The homes were those of parents whose children had reportedly been through the STRAIGHT program. The children were moved from house to house periodically during the course of this program. At one point, [redacted] was asked to house some children in his home, but after being told he would have to spend a great deal of money for security systems, alarms and other items, he declined to do so.

[redacted] was initially told he would only be charged whatever his insurance would pay for his daughter's treatment and

Investigation on 1/24/94 at [redacted] File # 209B-TP-28810

by SA [redacted] vjw Date dictated 1/25/94

20913-TP-28810-87

SEARCHED	INDEXED
SERIALIZED	FILED

FEB 5 1994

clA



[Handwritten signature]

b6
b7c

209B-TP-28810

Continuation of FD-302 of _____, On 1/24/94, Page 2

any shortfall would be "absorbed". After his daughter was in the program [] was told he would be charged a monthly fee and would be responsible for whatever the insurance coverage did not pay. It was suggested to him by someone at STRAIGHT that housing children being treated at STRAIGHT was one way he could cover the gap in insurance coverage. He recalled the monthly fee for the program was initially \$600 and rose quickly to \$2,000 [] was told the fee being paid was for the "care and management" of his daughter.

[] initially was told the people keeping the children in their homes were volunteers. He later learned these people were being paid for this activity. He learned this from an individual whose last name was [] This individual served as his daughter's "sponsor" and was also an employee of STRAIGHT.

The insurance carrier providing coverage for [] daughter at the time was PROVIDENCE OF RHODE ISLAND. He has no paperwork or other information concerning that coverage and the employer who furnished the coverage at the time [] is no longer in business.

[] noted that although his daughter had undergone thousands of dollars worth of testing during her previous stay at [] the results of those tests were not accepted for use by STRAIGHT. He never received the results of whatever testing was done by STRAIGHT despite asking for them although he was eventually billed for them.

It was [] understanding that the initial \$600 free charged upon admission was to cover the testing. This fee was not initially charged to [] reportedly because his daughter was coming from another treatment facility (i.e. []). He was initially only asked to provide proof of insurance. When [] received a bill from the STRAIGHT office in Florida via United States mail, it was for in excess of \$20,000 and was not itemized. When [] called the Irving, Texas, facility to discuss the bill, he was told he was being billed for the testing fee. He was also told he was being billed for room and board.

Based on his knowledge of how the program functioned and his personal experience [] it was [] opinion that the STRAIGHT program was a day program which housed people in private homes during the

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 1/24/94, Page 3

b6
b7C

evening. He was unaware of any treatment programs taking place away from the day facility and did not believe the private homes had the medical staff or other facilities in them that would be present in a true in-patient hospital setting.

In [REDACTED] case, no money was required "up front" in connection with his daughter's hospitalization. As a result, no refund or reimbursement would have been coming to him. He recalled that his insurance paid 50% of the actual bill and although he did not do so, he was approached for the rest.

b6
b7C

The only mention of a scholarship or grant program involved the alleged waiving of the \$600 fee. This was described to [REDACTED] as a "scholarship".

b6
b7C

[REDACTED] had no contact with the STRAIGHT office in St. Petersburg, Florida, other than the receipt of the un-itemized bill for his daughter's treatment. All actual contact with STRAIGHT personnel took place with employees of the Irving, Texas, facility. The only two people he could recall at that facility were persons he understood to be counselors named [REDACTED]

[REDACTED] removed his daughter from the program after approximately three and one-half months. She had inflicted some wounds on herself which were not receiving medical attention and he was also generally uncomfortable with the manner in which the program was being administered. He specifically mentioned many misrepresentations were made to him about the program and the costs involved.

b6
b7C

[REDACTED] lodged a complaint against STRAIGHT with the state organization in Texas which oversees psychiatric facilities. He noted that he may have sent copies of whatever paperwork he had in his possession to that agency when the complaint was made.

b6
b7C

209B-TP-28810

MEK:vjw

1

The following investigation was conducted by Special Agent (SA) [REDACTED] on January 26, 1994:

AT SHERMAN, TEXAS

[REDACTED] TEXAS COMMISSION ON ALCOHOL AND DRUG ABUSE, 710 Brazos Street, Austin, Texas, telephone (512) 867-8248, was contacted and provided the following information:

The TEXAS COMMISSION ON ALCOHOL AND DRUG ABUSE is the state agency which licenses and regulates substance abuse facilities. That agency received numerous complaints concerning the STRAIGHT, INCORPORATED (STRAIGHT) facility in Irving, Texas. These complaints resulted in on-site investigations being conducted at the facility. The investigations disclosed that the facility was not operating in accordance with the required standards and resulted in disciplinary action being initiated against the facility's license.

Subsequent to the disciplinary action being initiated, an agreement was negotiated whereby the facility agreed to come into compliance with the required standards of its license. Follow-up investigation disclosed the facility was not in compliance and enforcement action was initiated to revoke its license. Prior to that occurring, the facility voluntarily surrendered its license and left the State.

[REDACTED] specifically noted STRAIGHT was not licensed as an "in-patient" facility and was licensed as an "out-patient" facility. He advised his agency invested a great deal of time in investigating STRAIGHT and that a comprehensive summary of the findings of the investigation would be contained in documents he described as "AGREED ORDERS" between the Commission and STRAIGHT.

[REDACTED] further recalled STRAIGHT was also the subject of an investigation by state officials in Florida.

209B-TP-28810-88
BT BT
JUL 1 1994
c/A [REDACTED] WIC sent

b6
b7C

b6
b7C

b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 1/26/94

TO : SAC, TAMPA
 FROM : SAC, DALLAS (209B-TP-28810) (P)
 SUBJECT : P PRA

STRAIGHT, INCORPORATED,
 GANDY BOULEVARD,
 ST. PETERSBURG, FLORIDA;
 FBW - INSURANCE
 OO: TAMPA

Re Tampa airtel to Atlanta and receiving offices dated 11/10/93.

Enclosed for Tampa are the following items:

1. Original and two copies of FD-302 re interview of and,
2. FD-371 containing Agent's interview notes.

Enclosed for San Antonio and Tampa are two copies each of an investigative insert reflecting contact with TEXAS COMMISSION ON ALCOHOL AND DRUG ABUSE.

For information of San Antonio and Tampa, investigation by Dallas determined that

- ② - Tampa (Enc. 6) vs
 2 - San Antonio (Enc. 2)
 2 - Dallas
 MEK:vjw
 (6)

AUTOMATED INDEX SEARCH *ps of*

MANUAL SEARCH

Approved: *[Signature]*

Transmitted

(Number) (Time)

Per *[Signature]*209B-TP-28810-89
 SEARCHED *BT* INDEXED *BT*
 SERIALIZED *BT* FILED *BT*
 FBI - TAMPA
 JAN 27 1994
 CIA w/c sent *[Signature]*b6
b7Cb6
b7Cb6
b7C

[REDACTED]
[REDACTED] the TEXAS COMMISSION ON ALCOHOL AND DRUG ABUSE, the agency in Texas which licenses and regulates substance abuse treatment facilities. The enclosed insert re contact with [REDACTED] briefly reflects that agency's experiences with STRAIGHT, INCORPORATED. [REDACTED] advised he would be willing to assist in any way possible in the investigation of captioned matter.

Investigation continuing in Dallas Division.

LEAD:

SAN ANTONIO DIVISION

AT AUSTIN, TEXAS

Will contact [REDACTED]
TEXAS COMMISSION ON ALCOHOL AND DRUG ABUSE, 710 Brazos Street, Austin, Texas, telephone (512) 867-8248, and obtain details and findings of investigation re STRAIGHT, INC. in Irving, Texas, and forward results to Tampa.

Date 1/21/94

☐ Birth ☐ Credit ☐ Criminal ☐ Death ☐ INS ☐ Marriage* ☐ Motor Vehicle ☐ Other _____

To	[Redacted]	Buded
Ret	[Redacted]	File number <u>209 B TP-28810</u>

b6
b7C

Name and aliases of subject, applicant, or employee, and spouse

Straight Inc # 9-627-P270

Addresses	[Redacted]
Residence	[Redacted]
Business	[Redacted]
Former	[Redacted]

*Date and place of marriage _____
(if applicable)

Race	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	Age	Height	Weight	Hair	Eyes
Birth date	Birthplace					
Arrest Number	Fingerprint classification		Criminal specialty			
Social Security Number			Drivers License Number			
Specific information desired						

Results of check

b6
b7C

Dan + Brad Street report

209 B-TP-28810-90

(Information attached)

DONE 2-10-94bt

LEAD COVERED 2-1-94
ld assn 2-10-94bt

SEARCHED	INDEXED
SERIALIZED <u>BT</u>	FILED <u>BT</u>
JAN 31 1994	

please assign lead to [Redacted]
lead covered 2/1/94

Dun & Bradstreet**Business Information Report** TM

Page 1 of 1

For: SAVANNAH ITC
FBI INFO TECH CENTERFebruary 2, 1994
6:03 am**BUSINESS SUMMARY**

STRAIGHT INC	DUNS: 62-241-8622	RATING	NQ
1420 CYPRESS DRIVE			FORMERLY
JUPITER FL 33469	SIC NO.		DS
TEL: NONE	8748		

RATING CHANGE

SPECIAL EVENTS

02/01/94 On Feb 1 1994 phone number given was incorrect and directory assistance had no listing for company under captioned name at captioned address. Company is not incorporated and does not have a license to operate. Other commercial concerns are located at captioned address. Amount of outstanding debt if any is undetermined.

PUBLIC FILINGS

The following data is for information purposes only and is not the official record. Certified copies can only be obtained from the official source.

* * * UCC FILING(S) * * *

COLLATERAL: Specified Business machinery/equipment - Specified Communications equipment - Specified Equipment - Specified Fixtures	
FILING NO: 910000021069	DATE FILED: 01/28/1991
TYPE: Original	LATEST INFO RECEIVED: 02/22/1991
SEC. PARTY: [REDACTED] JUPITER, FL	FILED WITH: SECRETARY OF
DEBTOR: STRAIGHT INC	STATE/UCC DIVISION, FL

The public record items contained in this report may have been paid, terminated, vacated or released prior to the date this report was printed.

02-02(3GD /252)

00000

063 110

Date 1/31/94

☐ Birth ☐ Credit ☐ Criminal ☐ Death ☐ INS ☐ Marriage* ☐ Motor Vehicle ☐ Other _____

To <div style="border: 1px solid black; width: 100px; height: 20px;"></div>	Buded
Return to <div style="border: 1px solid black; width: 150px; height: 30px;"></div>	File number <u>209B-TP-28810</u>
Name and addresses of subject, applicant, or employee, and spouse	

Stoughton Ave *209B-TP-28810*

Addresses	
Residence	<div style="border: 1px solid black; width: 550px; height: 35px;"></div>
Business	
Former	

*Date and place of marriage _____
(if applicable)

Race	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	Age	Height	Weight	Hair	Eyes
Birth date		Birthplace				
Arrest Number		Fingerprint classification		Criminal specialty		
Social Security Number				Drivers License Number		

Specific information desired _____

Results of check _____

Don + 15100 Street apt 4

209B-TP-28810

(Information attached)

WLC

SEARCHED _____	INDEXED _____
SERIALIZED _____	FILED _____
JAN 31 1994	
FBI - TAMPA	

*Please assign lead to [redacted]
lead closed 2/1/94*

b6
b7C

b6
b7C

Memorandum



To : SAC, TAMPA 209B-TP-28810
ATTN: IA [REDACTED]

Date 2/1/94

From : SAVANNAH INFORMATION TECHNOLOGY CENTER
INVESTIGATIVE INFORMATION SERVICES

Subject: STRAIGHT, INC.; [REDACTED]
REQUEST NUMBER 18087

b6
b7C

Attached are copies of Investigative Information Services printouts setting forth results of inquiries conducted by Investigative Information Services. Also attached are two copies of an accomplishment/reply form. It is requested that you record the Investigative Information Services accomplishments on this form, return one copy to the Investigative Information Services, and maintain one copy together with the computer printouts as a serial in your case file.

Set forth below is a brief synopsis of results of inquiries.

A search in Dun & Bradstreet disclosed a possible list of companies in Florida. One was requested with a Jupiter, FL, address but it is in the process of being updated by D & B. As soon as I receive a copy it will be forwarded to you. Other corporate records in this company name were located. Companies found to be associated with subject are Pasco 15, Inc. and Jerry Barletta Lodge #2502, Inc. Property and telephone/address records were found under subject's name. Possible [REDACTED] in Florida [REDACTED]

b6
b7C

Should additional contact be necessary, this request was handled by Analyst [REDACTED],
Telephone [REDACTED]

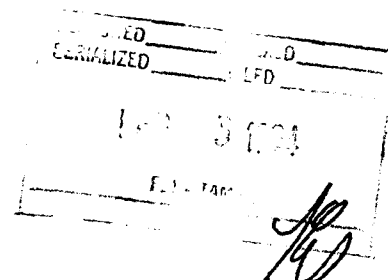
1 - Tampa and Pinellas RA (Enc.)

Attn: Special Agent Supervisor

Note: Copy forwarded IA [REDACTED]
Via Mail____/Facsimile____X Date 2/1/94

b6
b7C

1 - SVITC
(2)
mln





INVESTIGATIVE INFORMATION REQUEST FORM

FBI, Savannah Information Technology Center

220 East Bryan Street

Savannah, Georgia 31401

Commercial Telephone or FTS

FAX

Secure FAX

ITC Use Only:

SITC Record #: 18087

Date/Time In:

2/1/94 12:35 pm

Date/Time Out:

2/1/94 11:30 am

Database(s) Used:

1. DB 5. 9.

2. PA 6. 10.

3. MN 7. 11.

4. 8.

Handled By:

TO: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

Date: 1/31/94

Forfeiture/Seizure Related: ☐Type of Request: ☒ FAX ☐ Telcal ☐ MailReply: ☒ FAX ☐ Telcal ☐ Mail

Requestor:

Phone:

FAX #

UCFN: 209 B-TP-28810

(Requestor Name is Required)

(The UCFN (File #) is Required)

Office/RA: Tampa / PRA

Precedence: ☐ ROUTINE ☒ PRIORITY ☐ IMMEDIATE

Fugitive:

☐ Yes ☐ No

NCIC Activity/Date:

CCH Conducted:

☐ Yes ☐ No

Off-Line Searches Conducted:

Driver's Lic. Conducted:

☐ Yes ☐ NoSubject: ☐ Yes ☐ No Vehicle: ☐ Yes ☐ No Driver's License: ☐ Yes ☐ No

Driver's License #:

State:

Vehicle Registration:

State:

SEARCH CRITERIA (Attach additional sheets if necessary)

Name - Last: STRAIGHT INC. First: Middle:

Alias: Sex: M DOB1: / / DOB2: / /

SSAN1: - - SSAN2: - - Spouse:

RESIDENCE

Street Address: City/State: Zip: Phone:

BUSINESS

Business Name: Street Address:

City/State: Zip: Phone: Business ID#:

CHECK DESIRED SEARCH PARAMETERS (Please check only those that are needed)

☒ 1. Specific Information Desired Dun. + Bradstreet report for STRAIGHT, INC.☐ 2. Determine All Individuals Associated with Social Security Number(s)☐ 3. Report Validity of Social Security Number☐ 4. Employment Report (subject to availability) INQUIRY WILL POST TO CONSUMER'S ACCOUNT☐ 5. Determine Who is Associated with Telephone Number(s)☐ 6. Determine Address of Business/Person (U.S. , , State(s))☐ 7. Determine Property Owned by Individual (U.S. , , State(s))☐ 8. Determine Who Owns Property Listed Above☐ 9. Determine Who Resides at Address Listed Above☒ 10. Determine Financial Background Info, Financial Associates/Institutions (NOT FULL CREDIT REPORTING)☐ 11. Determine Corporate Business Info/Institutions Associated with:

(Person/Business)

Reply From: FBI, Savannah Information Technology Center (SITC)

Return Reply To:

SAC, Adam McCreight

Attention:

Based on search criteria, marked records are attached:

☒ Possible Identifiable Records☐ Other Peripheral Information☒ Brief Synopsis of Information Found☐ No Information Found

Your Inquiry Was: #1 (STRAIGHT INC***FL**) on Entity Matching Search

556306454*STRAIGHT, THOMAS A CONSTRUCTIO	*515 PINE AVE	*NICEVILLE	*FL*H
173339862*STRAIGHT ARROW AUTOMOTIVE	*707 NE 11TH ST	*FORT LAUDERDAL	*FL*S
109725598*{FORMERLY} STRAIGHT & DISMUKES	*555 BILTMORE WA	*MIAMI	*FL*S
131785958*STRAIGHT LINE TILE & MARBLE SA	*5350 W 22ND LAN	*HIALEAH	*FL*S
041590084*STRAIGHT LINE BUILDERS INC	*6504 BAYWOOD AV	*DAYTONA BEACH	*FL*S
623371507*STRAIGHT-UP BUILDERS, INC	*3389 SHERIDAN S	*HOLLYWOOD	*FL*S
139311690*STRAIGHTWAY CONSTRUCTIONS INC	*1124 ARON ST	*COCOA	*FL*S
557006897*STRAIGHT POLARITY WELDING INC	*12839 CUMBERLAN	*LARGO	*FL*S
807626080*STRAIGHT UP SECURITY CONSULTAN	*6491 COWPEN RD	*MIAMI	*FL*S
058449331*STRAIGHT LINE AUTO BODY	*811 MADISON	*PORT RICHEY	*FL*S
119196087*STRAIGHT LINE SERVICES INC	*1505 6TH AVE W	*BRADENTON	*FL*S
108314477*STRAIGHT STRIPING SERVICE	*2301 S PALMETTO	*DAYTONA BEACH	*FL*S
130626963*STRAIGHT LINE INC	*11199 164TH CT	*JUPITER	*FL*S
787462597*STRAIGHT SHOT SHOOTING & SUPPL	*7125 HIDEAWAY T	*NEW PORT RICHE	*FL*S

PgDn for More Entries

HIGHLIGHT your selection and Press <Enter>

s: Ready for Next Inquiry...
Dun & Bradstreet, Inc.

selection

Esc- to Exit

Your Inquiry Was: #1 (STRAIGHT INC***FL**) on Entity Matching Search

099348963*STRAIGHT "A" TOURS INC	*9944 88TH STREE	*SEMINOLE	*FL*S
150966232*STRAIGHT WIRE INC	*1909 HARRISON S	*HOLLYWOOD	*FL*S
*622418622*STRAIGHT INC	*1420 CYPRESS DR	*JUPITER	*FL*S
617041892*STRAIGHT LINE CAFE	*11124 LITHIA AV	*LITHIA	*FL*S
120782891*STRAIGHT CONSTRUCTION CO	*ADDRESS UNKNOWN	*ANNA MARIA	*FL*S
790284913*A STRAIGHT FLUSH PUMPING & POR	*10611 SW 73RD A	*OCALA	*FL*S
797089091*STRAIGHT LINE AUTO BODY	*6121 15TH ST E	*BRADENTON	*FL*S
136718319*STRAIGHT ARROW GUNS	*7442 SW 127TH D	*MIAMI	*FL*S
786224055*STRAIGHT ROBERT S & BEVERLY	*7061 OLD KINGS	*JACKSONVILLE	*FL*S
163283286*STRAIGHT CUTS HAIR DESIGN FURN	*4023 W WATERS A	*TAMPA	*FL*S
805360971*STRAIGHT AND NATURAL STYLE	*600 NW 5TH AVE	*GAINESVILLE	*FL*S

PgUp for More Entries

HIGHLIGHT your selection and Press <Enter>

s: Ready for Next Inquiry...
Dun & Bradstreet, Inc.

selection

Esc- to Exit

Report: Straight Inc. in Jupiter
was requested. D+B is updating
it currently.

Detail Display of Corporate Data for Florida
For: STRAIGHT, INC.

Item Number: 0001
Name: STRAIGHT, INC.
Number: N11318
Date: 09/26/1985
Originated: FLORIDA
Status: ACTIVE
Type: FL NON-PROF
Tax ID: 59-2576433

PRINCIPAL OFFICE

3001 GANDY BLVD.
ST. PETERSBURG, FL 33702

REGISTERED AGENT INFORMATION

C T CORPORATION SYSTEM
1200 SOUTH PINE ISLAND ROAD
PLANTATION, FL 33324 US
NAME CHG: 07/01/93
ADDR CHG: 07/01/93

PAGE 1 - press ENTER for next page, Q to quit:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

Detail Display of Corporate Data for Florida
For: STRAIGHT, INC.

OFFICER/DIRECTOR INFORMATION

VICE PRES.: [REDACTED]
296 MIRROR LAKE DR.
ST. PETERSBURG, FL

VICE PRES.: [REDACTED]
3001 GANDY BLVD.
ST. PETERSBURG, FL

PRESIDENT: [REDACTED]
442 RAYMOND AVE.
LONGWOOD, FL

b6
b7C

ANNUAL REPORT INFORMATION

DATE FILED: 04/17/1991 02/08/1992 02/08/1993
FILED BY: I I I

HISTORY INFORMATION

DATE	NUMBER	DESCRIPTION
02/08/1993		REINSTATEMENT
10/09/1992		ADMIN DISSOLUTION FOR ANNUAL REPORT
06/25/1990		AMENDMENT

PAGE 2 - press ENTER for next page, P for prior, Q to quit:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

Detail Display of Corporate Data for Florida
For: STRAIGHT, INC.

Item Number: 0001
Name: THE STRAIGHT FOUNDATION, INC.
Number: 735636
Date: 04/22/1976
Originated: FLORIDA
Status: ACTIVE
Type: FL NON-PROF
Tax ID: 59-1662427

PRINCIPAL OFFICE

C/O [REDACTED]
6529 CENTRAL AVENUE
ST. PETERSBURG, FL 33710

b6
b7C

Addr Changed: 03/31/92

PAGE 1 - press ENTER for next page, Q to quit:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

Detail Display of Corporate Data for Florida
For: STRAIGHT, INC.

REGISTERED AGENT INFORMATION

[REDACTED]
6529 CENTRAL AVENUE
ST. PETERSBURG, FL 33710
NAME CHG: 03/31/92
ADDR CHG: 03/31/92

OFFICER/DIRECTOR INFORMATION

PRESIDENT: [REDACTED]
6529 CENTRAL AVENUE
ST. PETERSBURG, FL

VICE PRES.: [REDACTED]
101 EAST KENNEDY BL, 2560
TAMPA, FL

DIRECTOR: [REDACTED]
4000 PARK STREET, NORTH
ST. PETERSBURG, FL

TREASURER: [REDACTED]
100 SECOND, AVE, SOUTH 400
ST. PETERSBURG, FL

PAGE 2 - press ENTER for next page, P for prior, Q to quit:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

Detail Display of Corporate Data for Florida
For: STRAIGHT, INC.

ANNUAL REPORT INFORMATION

DATE FILED: 03/31/1991 03/31/1992 05/01/1993

FILED BY: I I B

HISTORY INFORMATION

DATE	NUMBER	DESCRIPTION
03/31/1992		REINSTATEMENT
10/13/1989		INVOLUNTARILY DISSOLVED
12/24/1986		AMENDMENT
09/26/1985		NAME CHANGE AMENDMENT
		OLD NAME WAS : STRAIGHT, INC.



END OF DATA

PAGE 3 - LAST PAGE.. enter P for prior page, or press ENTER to end detail:
Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

This data is for information purposes only, certification can only be obtained through the Division of Corporations, or from a Delaware Registered Agent's office located within the State of Delaware.

Detail Display of Corporate Data for Delaware
For: STRAIGHT, INC.

Delaware Corporate Information

Order No. 1

STRAIGHT, INC.

Corp No: 2190748
Incorporated: 03-17-89

Corp Kind: Foreign
Corp Type:
Status: Void
Incorp. In: FL
Ann. Report:

PAGE 1 - press ENTER for next page, Q to quit:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

This data is for information purposes only, certification can only be obtained through the Division of Corporations, or from a Delaware Registered Agent's office located within the State of Delaware.

Detail Display of Corporate Data for Delaware
For: STRAIGHT, INC.

Tax Information

Fed. tax ID: Unknown

Tax Code: Foreign Corporation

Tax balance: .00
Tax Estimate:
Quarterly:

Registered Agent Information

15 ASHLEY PLACE
P.O. BOX 2037
WILMINGTON

, DE 19804

Phone: 302-656-8341

FAX:

PAGE 2 - LAST PAGE.. enter P for prior page, or press ENTER to end detail:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

b6
b7C

THIS DATA IS FOR INFORMATION PURPOSES ONLY, CERTIFICATION CAN ONLY
BE OBTAINED THROUGH THE OFFICE OF THE GEORGIA SECRETARY OF STATE.

Detail Display of Corporate Data for Georgia
For: STRAIGHT, INC. (FLORIDA)

Thru Date: 01/04/94

Item Number: 0001
Name: STRAIGHT, INC. (FLORIDA)
Number: 8707490
Date: 02/12/1987
Originated: FLORIDA
Type: FOREIGN NONPROFIT
Rpt Pymt Date: 04/06/93
Status: ACTIVE/COMPLIANCE
Status Date: 02/12/1987

PRINCIPAL OFFICE

3001 GANDY BLVD
ST. PETERSBURG FL 33702

PAGE 1 - press ENTER for next page, Q to quit:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

THIS DATA IS FOR INFORMATION PURPOSES ONLY, CERTIFICATION CAN ONLY
BE OBTAINED THROUGH THE OFFICE OF THE GEORGIA SECRETARY OF STATE.

Detail Display of Corporate Data for Georgia
For: STRAIGHT, INC. (FLORIDA)

Thru Date: 01/04/94

INCORPORATOR INFORMATION

[REDACTED]
225 PUNTA VISTA DR
ST. PETERSBURG BCH FL 33706

b6
b7C

REGISTERED AGENT INFORMATION

[REDACTED]
1395 S MARIETTA PKWY 914
MARIETTA GA 30067

EFF. DATE: 04/06/1993

OFFICER/DIRECTOR INFORMATION

CEO: [REDACTED]
442 RAYMOND AVENUE
LONGWOOD FL 32750

PAGE 2 - press ENTER for next page, P for prior, Q to quit:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

THIS DATA IS FOR INFORMATION PURPOSES ONLY, CERTIFICATION CAN ONLY
BE OBTAINED THROUGH THE OFFICE OF THE GEORGIA SECRETARY OF STATE.-

Detail Display of Corporate Data for Georgia

For: STRAIGHT, INC (FLORIDA)

Thru Date: 01/04/94

OFFICER:

296 MIRROR LAKE DRIVE
ST PETERSBURG FL 33701

SECRETARY:

296 MIRROR LAKE DRIVE
ST PETERSBURG FL 33701

b6
b7C

END OF DATA

PAGE 3 - LAST PAGE.. enter P for prior page, or press ENTER to end detail:
Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

Detail Display of Registered Agent Data for Florida

For: [REDACTED]

b6
b7C

Item Number: 0001
Name: PASCO 15, INC.
Number: 560045
Date: 02/17/1978
Originated: FLORIDA
Status: INACTIVE
Type: FL PROFIT
Tax ID: 59-0814927

PRINCIPAL OFFICE

1448 HERITAGE AVENUE
SPRING HILL, FL 34606

Addr Changed: 06/24/87

REGISTERED AGENT INFORMATION

[REDACTED]
1448 HERITAGE AVENUE
SPRING HILL, FL 34606
NAME CHG: 07/09/84
ADDR CHG: 06/24/87

PAGE 1 - press ENTER for next page, Q to quit:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

Detail Display of Registered Agent Data for Florida

For: [REDACTED]

b6
b7C

OFFICER/DIRECTOR INFORMATION

SECRETARY: [REDACTED]
8626 INDIES DRIVE
HUDSON, FL

PRESIDENT: [REDACTED]
122 FLAGLER DRIVE
NEW PT RICHEY, FL

TREASURER: [REDACTED]
1448 HERITAGE AVENUE
SPRING HILL, FL

VICE PRES.: [REDACTED]
300 DRIFTWOOD DRIVE WEST
W. PALM HARBOR, FL

DIRECTOR [REDACTED]
4505 NORFOLK DRIVE
HOLIDAY, FL

DIRECTOR: [REDACTED]
109 LONNIE LEE WAY
HUDSON, FL

PAGE 2 - press ENTER for next page, P for prior, Q to quit:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

Detail Display of Registered Agent Data for Florida

For:

b6
b7c

ANNUAL REPORT INFORMATION

DATE FILED: 05/14/1986 06/24/1987 04/22/1988
FILED BY: I I I

HISTORY INFORMATION

DATE	NUMBER	DESCRIPTION
10/13/1989		INVOLUNTARILY DISSOLVED
12/18/1985		REINSTATEMENT
11/01/1985		INVOLUNTARILY DISSOLVED

END OF DATA

PAGE 3 - LAST PAGE.. enter P for prior page, or press ENTER to end detail:
Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

Detail Display of Registered Agent Data for Florida

For: [REDACTED]

b6
b7C

Item Number: 0001
Name: JERRY BARLETTA LODGE #2502, INC.
Number: N39750
Date: 07/23/1990
Originated: FLORIDA
Status: ACTIVE
Type: FL NON-PROF
Tax ID: 59-3028513

PRINCIPAL OFFICE

% [REDACTED]
1418 VALIANT AVE
SPRING HILL, FL 34608

REGISTERED AGENT INFORMATION

[REDACTED]
1418 VALIANT AVE
SPRING HILL, FL 34608

PAGE 1 - press ENTER for next page, Q to quit:

Alt-Z FOR HELP ° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

Detail Display of Registered Agent Data for Florida

For: [REDACTED]

OFFICER/DIRECTOR INFORMATION

DIRECTOR: [REDACTED]

1418 VALIANT AVE
SPRING HILL, FL

DIRECTOR: [REDACTED]

1448 HERITAGE AVENUE
SPRING HILL, FL

DIRECTOR: [REDACTED]

5175 MILL AVE
SPRING HILL, FL

b6
b7C

ANNUAL REPORT INFORMATION

DATE FILED: 03/15/1991 02/28/1992 04/15/1993

FILED BY: I B B

END OF DATA

PAGE 2 - LAST PAGE.. enter P for prior page, or press ENTER to end detail:

Alt-Z FOR HELP ° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

Detail Display of Tax Assessor (Name) Data for Florida

For: [REDACTED]

b6
b7C

Number : 1

PHO Base Key : 12103/000000025492

Parcel ID : 27-16-32-78617-000-0400

Situs : [REDACTED]

Situs C/S/Z : [REDACTED]

Owner : [REDACTED]

Joint Owner : [REDACTED]

Owner Addr : [REDACTED]

Owner C/S/Z : [REDACTED]

Owner Phone : [REDACTED]

Last Sale : 07/00/87

Sale Book # : 006543

Sale Page # : 000708

Mortgage Rate : 0.00

Mortgage Amt : 0

Sale Amt : 79,500

Assumable Amt : 0

PAGE 1 - press ENTER for next page, Q to quit:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

Detail Display of Tax Assessor (Name) Data for Florida

For: [REDACTED]

b6
b7C

Land Use : SINGLE FAMILY

Land Assessment : 0

Bldg Assessment : 0

Total Assessmnt : 267,700

Taxes : 4,897

Exemption : HOMESTEAD

Year Built : 1988

Square Footage : 0

Front Footage : 105

Depth Footage : 0

Bldg Footage : 4,903

Pool : 1

Units : 0

Baths : 16.0

Bedrooms : 0

Total Rooms : 0

Stories : 1.0

PAGE 2 - press ENTER for next page, P for prior, Q to quit:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

Detail Display of Tax Assessor (Name) Data for Florida

For: [REDACTED]

Number : 2
PHO Base Key : 12103/000000032359
Parcel ID : 28-15-12-35365-000-0320
Situs : [REDACTED]
Owner : [REDACTED]
Joint Owner : [REDACTED]
Owner Addr : [REDACTED]
Owner C/S/Z : [REDACTED]
Owner Phone : [REDACTED]
Absentee : Y
Last Sale : 10/00/83
Sale Book # : 005619
Sale Page # : 001800
Mortgage Rate : 0.00
Mortgage Amt : 0
Sale Amt : 87,600
Assumable Amt : 0

b6
b7C

PAGE 3 - press ENTER for next page, P for prior, Q to quit:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

Detail Display of Tax Assessor (Name) Data for Florida

For: [REDACTED]

Land Use : SINGLE FAMILY
Land Assessment : 0
Bldg Assessment : 0
Total Assessmnt : 85,900
Taxes : 1,733
Year Built : 1983
Square Footage : 0
Front Footage : 80
Depth Footage : 0
Bldg Footage : 2,550
Pool : 1
Units : 0
Baths : 6.0
Bedrooms : 0
Total Rooms : 0
Stories : 1.0

b6
b7C

END OF DATA

PAGE 4 - LAST PAGE.. enter P for prior page, or press ENTER to end detail:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

Detail Display of Tax Assessor (Name) Data for New York

For:
Number : 1
PHO Base Key : 36047/000000101229
Parcel ID : 3681-00014
Situs :
Situs C/S/Z :
Owner :
Last Sale : 00/00/00
Mortgage Rate : 0.00
Mortgage Amt : 0
Sale Amt : 0
Assumable Amt : 0
Land Use : VACANT PRIVATE OWNED
Land Assessment : 3,780
Bldg Assessment : 0
Total Assessmnt : 3,780
Taxes : 0

b6
b7C

PAGE 1 - press ENTER for next page, Q to quit:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

Detail Display of Tax Assessor (Name) Data for New York

For:
Year Built : 0000
Square Footage : 0
Front Footage : 20
Depth Footage : 100
Bldg Footage : 0
Pool : 0
Units : 0
Baths : 0.0
Bedrooms : 0
Total Rooms : 0
Stories : 0.0

b6
b7C

END OF DATA

PAGE 2 - LAST PAGE.. enter P for prior page, or press ENTER to end detail:

Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

TIME: 10:28:20 METRONET ON-LINE INFORMATION SYSTEM DATE: 02/01/94

----- N A M E -----
OPTION : S (E)DA (N)BRS (A)DDR (P)HN (Z)IP (C)ITY (S)TATE (U)S
(M)ENU (H)ELP (F)WD (B)ACK (W)METRO AREA (X)CLEAR
SELECTION : FILE : R (R)ESIDENTIAL (B)USINESS

NAME : FOR FIRST NAME SEARCH, ENTER F : b6
HOUSE# : STREET: b7C
CITY : ST : ZIP CODE: PHONE #: () -

THE TOTAL NUMBER OF NAMES THAT MATCH IS: 4

SEL NO		NON LOR HOH
1	<input type="text"/>	
2		05
3		02
4		20
	<input type="text"/>	07

THIS IS THE LAST PAGE OF DATA FOR YOUR SEARCH.

MNET.ASP ° VT102 ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

TIME: 10:29:01 METRONET ON-LINE INFORMATION SYSTEM DATE: 02/01/94

----- A D D R E S S -----
OPTION : A (E)DA (N)BRS (A)DDR (P)HN (Z)IP (C)ITY (S)TATE (U)S
(M)ENU (H)ELP (F)WD (B)ACK (W)METRO AREA (X)CLEAR
SELECTION : FILE : R (R)ESIDENTIAL (B)USINESS

NAME : FOR FIRST NAME SEARCH, ENTER F :
HOUSE# : STREET:
CITY : ST : ZIP CODE: PHONE #: () -

RETURNED NAME/ADDRESS

()

b6
b7C

GENDER	: MALE	LENGTH OF RES	: 07	NAME:	<input type="text"/>	DOB:	<input type="text"/>
MEDIAN INCOME	: 0047.2K	HOME OWNER PROB	: 101	NAME:	<input type="text"/>	DOB:	<input type="text"/>
WEALTH RATING	: B	HOME VALUE	: 0091.9K				
DATE OF BIRTH	: <input type="text"/>	HOME VALUE INDEX	: 119				
		DWELLING TYPE	: SINGLE				

MNET.ASP ° VT102 ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

TIME: 10:30:00

METRONET ON-LINE INFORMATION SYSTEM

DATE: 02/01/94

----- A D D R E S S -----
OPTION : A (E)DA (N)BRS (A)DDR (P)HN (Z)IP (C)ITY (S)TATE (U)S
(M)ENU (H)ELP (F)WD (B)ACK (W)METRO AREA (X)CLEAR
SELECTION : FILE : R (R)ESIDENTIAL (B)USINESS

NAME : FOR FIRST NAME SEARCH, ENTER F : b6
HOUSE# : STREET: b7C
CITY : ST : ZIP CODE: PHONE #: () -

RETURNED NAME/ADDRESS

GENDER : MALE LENGTH OF RES : 20 NAME: DOB:
MEDIAN INCOME : 0029.8K HOME OWNER PROB : 101 NAME: DOB:
WEALTH RATING : D HOME VALUE : 0063.0K
DATE OF BIRTH : HOME VALUE INDEX: 082
DWELLING TYPE : SINGLE

MNET.ASP ° VT102 ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

- SITC

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/9/93

[redacted]
[redacted]
[redacted] telephone number [redacted], was advised of the identity of the interviewing agent and the purpose of the interview. [redacted] provided the following information:

b6
b7C

[redacted]
[redacted]
[redacted]
[redacted]
[redacted]
Also during 1988, the Board fired two head personnel by the name of [redacted] and the second person [redacted] does not remember. [redacted] replaced them. [redacted]
[redacted]

b6
b7C

[redacted]
[redacted] During 1988, STRAIGHT, INC. appeared to be in stable financial condition.

b6
b7C

However, during 1990, or 1991, the company was extremely mismanaged and was always going through numerous changes. [redacted] was replaced by [redacted] In [redacted] [redacted] finally terminated his employment with STRAIGHT, INC.

Investigation on 12/7/93 at [redacted] File # 209B-TP-28810 (WRA)
by SA [redacted] sac [redacted] Date dictated 12/9/93

b6
b7C

2001BTP-28310-71

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 22 1994	
<div data-bbox="1078 351 1351 436" style="border: 1px solid black; height: 40px; width: 100%;"></div>	

CH
wlc sent

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 12/7/93, Page 2

b6
b7C

[REDACTED] did a great deal of traveling throughout the United States. [REDACTED]

[REDACTED] usually paid for these trips by using [REDACTED] company cards. Any reimbursement of cash or use of the cards was typed up on an expense report with the receipts attached. At no time did he see or know of anyone using these cards for personal use, personal vacations, or other trips.

STRAIGHT, INC. would charge client or patients the sum of \$10,000 a year, with an initial installment of \$1,100 that was paid up front. Six hundred (\$600) dollars of that medical fee would be for the client to see a psychologist in order for him to do a family background. It was the policy of STRAIGHT, INC., to have both a physician and a psychologist see the client within the first 30 to 60 days of the client's enrollment. From about 1988, to 1991, STRAIGHT, INC. went from having 120 clients down to 40 patients for each office. This greatly hurt STRAIGHT's financial condition. [REDACTED] feels that STRAIGHT, INC. did not cut staff and resources fast enough in order to keep up with the lost revenue. Consequently, they went into the red and were losing money monthly.

b6
b7C

In 1989, and in 1990, they obtained people (names unknown) in Miami, Florida, to raise money. These fund raisers produced very little capital for STRAIGHT, INC. Out of the proceeds received, he believes STRAIGHT, INC. only received 20 per cent of the raised money.

From 1989, through 1990, [REDACTED] was struggling to keep STRAIGHT, INC. open. Each month he would have to struggle with the fact whether to refund clients' money or to pay the electric bill to keep the lights on. [REDACTED] believes that, at the beginning, people were able to get their insurance refunds back quickly, but as STRAIGHT, INC. lost money, some of that money was diverted in order to keep the business above water. Instead of reimbursing patients their insurance money, the money was kept by STRAIGHT, INC. for payroll and other operating expenses. At no time did [REDACTED] believe that [REDACTED] was going to keep the money, but the reimbursement was just going to be slow in coming. As far as [REDACTED] knows, all clients were reimbursed their insurance monies.

b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/31/94

[redacted]
[redacted] telephone number [redacted] was interviewed at her residence. After being advised of the identity of the interviewing agent and nature for the interview [redacted] provided the following information:

b6
b7C

[redacted] is a white female who provided her date of birth as [redacted] and her SSAN as [redacted]
[redacted] She is married to [redacted] and has a daughter, [redacted] date of birth [redacted] who resides at [redacted]
[redacted]

[redacted] first became involved with STRAIGHT, INC. (SI) as a result of having trouble with [redacted] which began during approximately [redacted] During this period of time [redacted] would have been going into her sophomore year of high school. She had a boyfriend that [redacted] disapproved of and was also having trouble in school.

b6
b7C

As a result of their problems with [redacted] became involved with a group called "Tough Love" in the fall of [redacted] Tough Love is an organization that is basically a support group that assists parents in dealing with children that are uncontrollable. It was during the fall of [redacted] that someone from Tough Love recommended Straight, Inc., as an agency who could assist [redacted] with their daughter.

[redacted] for SI and is the first person [redacted] dealt with from SI. [redacted] periodically attended meetings of Tough Love. He advised the [redacted] that SI was an inpatient therapy program which housed young people in a secure setting in which they would not have any access to drugs or alcohol. [redacted] advised that Straight's program was a long term treatment program (over six months) which was covered by insurance. He also advised that during the course

b6
b7C

Investigation on 1/19/94 at [redacted] 209B-PH-28810 (HRA)

b6
b7C

by SA [redacted] am [redacted] Date dictated 1/24/94

200BTP-26810-92

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 22 1994	
[Redacted Box]	

cta

b6
b7C

209B-PH-28810 (HRA)

Continuation of FD-302 of [REDACTED]

, On 1/19/94, Page 2

b6
b7C

of being treated that patients would receive counseling from a counselor every day.

After speaking with [REDACTED] checked with their insurance carrier, CAPITAL BLUE CROSS and PENNSYLVANIA BLUE SHIELD, (agreement number [REDACTED] 100 Pine Street, Harrisburg, Pennsylvania 17101, telephone number 717/255-0820, to see if they covered inpatient treatment for substance abuse. The [REDACTED] advised that they were told their policy did cover such treatment.

When [REDACTED] finally decided to enroll their daughter in the treatment program offered by Straight, Inc., they just drove their daughter down to SI's facility at 5515 Backlick Road, Springfield, Virginia, 22151. Once [REDACTED] found out where she was going she became very withdrawn.

b6
b7C

The admission process for [REDACTED] involved her being interviewed and evaluated by SI personnel. During the initial intake process [REDACTED] recalled dealing with [REDACTED] (black female) who was a program counselor for SI and an [REDACTED] an individual who identified himself as a former [REDACTED]

[REDACTED] told [REDACTED] that their daughter had a drug problem and that it was necessary for her to be admitted to the program offered by SI. After this [REDACTED] were interviewed as to what kind of problems they were having with their daughter. The family was then put into a room with a "SI parent volunteer" and SI's insurance representative [REDACTED] explained the various admittance charges to [REDACTED] and on that day, [REDACTED] admitted their daughter to SI where she remained until [REDACTED]

b6
b7C

[REDACTED] gave SI \$500 during that initial visit and set up a payment schedule of \$100 per week towards SI's services. [REDACTED] advised she and her husband paid in excess of \$4800 to SI during the course of their daughter's treatment. They have never received any reimbursements from their insurance company. The [REDACTED] also were never reimbursed any money from SI which they received from [REDACTED] insurance carrier in that [REDACTED] do not believe their insurance carrier ever paid SI any money whatsoever.

209B-PH-28810 (HRA)

Continuation of FD-302 of [REDACTED]

, On 1/19/94 , Page 3

Prior to leaving SI's facility that first day, the [REDACTED] were told that they would be expected to attend family meetings at SI's facility in Virginia on Tuesdays and Fridays of every week. [REDACTED] advised SI personnel that they could only make the Friday meeting in that they were living in [REDACTED] and unable to attend both meetings. [REDACTED] advised that SI wanted [REDACTED] to move to Virginia and get jobs so that they could also become volunteer parents for the program. [REDACTED] then explain that their daughter would spend the day at SI's facilities, but that she would spend the evening hours at the residence of and SI parent.

b6
b7C

Every Friday evening [REDACTED] would gather with 100 to 300 other people at SI's facility [REDACTED] and the other children in SI's program would be placed on a stage and announcers would speak to the audience of parents about their children. At the conclusion of these meetings their daughter would then be allowed to talk to them for five minutes. The [REDACTED] were not allowed to question their daughter and in fact their daughter was watched by a representative of SI during this entire time. [REDACTED] were not allowed to write letters to their daughter or to communicate with her in any other way.

b6
b7C

During the period of time [REDACTED] was at SI the [REDACTED] were not happy with the program. In [REDACTED] an SI counselor, told [REDACTED] that they needed to be more involved with SI's program and that they needed to attend meetings on both Tuesday and Friday of every week. [REDACTED] told the [REDACTED] that their daughter was getting depressed and sick because of [REDACTED] lack of participation in the program. [REDACTED] made requests of [REDACTED] and other SI personnel, to speak to their daughter. These requests were denied.

b6
b7C

On [REDACTED] went to SI's facility in Virginia and removed their daughter from the program. [REDACTED] advised that this process was met with much resistance on the part of SI personnel, however, they still removed their daughter from this program.

b6
b7C

After [REDACTED] returned home, [REDACTED] found out that she had been abused while at SI. She noted that she was advised by [REDACTED] that the patients rarely saw counselors. She does not believe her daughter saw a psychiatrist the entire time she was at SI. Occasionally the patients were fed only one meal per day.

209B-PH-28810 (HRA)

Continuation of FD-302 of [REDACTED]

, On 1/19/94, Page 4

[REDACTED] advised that her daughter would be willing to sit down with investigators if necessary in order to fully explain the mistreatment she received.

[REDACTED] listed doctor was [REDACTED]. Her psychiatrist was listed as [REDACTED] never spoke to either of these individuals.

SI tried to collect \$2820 from [REDACTED] which SI claimed is the amount [REDACTED] owed for services which they did not pay for. It was at this time that [REDACTED] learned that SI had not submitted any claims to [REDACTED] for [REDACTED] treatment until after the [REDACTED] pulled [REDACTED] out of SI's program. [REDACTED] refused to pay the amount demanded by SI due to the fact that SI did not provide the treatment they said that they would provide to their daughter.

[REDACTED] were asked to describe what they understood a typical day would have been for a patient like their daughter while at SI. [REDACTED] understanding of a typical day would involve her daughter getting up and being taken to SI from the volunteer SI parents residence. Once at SI the patients would be placed into a circle to talk. This usually occurred without a counselor present. [REDACTED] stated that the "counselors" tended to be the advance participants in SI's program.

[REDACTED] never received the result of any testing that was provided to their daughter. [REDACTED] received bills, but that was it. The \$600 that was listed as a medical services fee in the financial agreement signed by [REDACTED] for their daughter's treatment was supposed to cover a variety of areas to include a physical examination, a psychiatric evaluation, a psycho-social assessment and a drug use assessment of their daughter. [REDACTED] are not sure which of these services were provided.

[REDACTED] does not recall ever being informed of any specific scholarship or government funding programs which would assist with their daughter's rehabilitation expenses. She did recall that a "SI parent" told her that her local Congressmen might be able to help her with SI's bill.

209B-PH-28810 (HRA)

Continuation of FD-302 of [REDACTED]

, On 1/19/94 , Page 5

[REDACTED] did not have any interaction with the headquarters facility of SI in Saint Petersburg, Florida. The [REDACTED] did not ever deal with [REDACTED]
[REDACTED]

b6
b7C

[REDACTED] and her husband were asked to provide the names of other individuals who they had contact with who were believed to have had problems with SI. The following individuals were identified:

1. [REDACTED]

telephone number [REDACTED]
[REDACTED]b6
b7C

2. [REDACTED]

telephone number [REDACTED]

3. [REDACTED]

telephone numbers [REDACTED]
[REDACTED]

[REDACTED] advised she and her daughter would be willing to assist this investigation in any other way that they could. [REDACTED] apologize for not making herself available for interview sooner, however, she advised that she in no way wished to be contacted at her place of employment in that her daughter also works at this business and [REDACTED] did not wish anyone at this employment to know of her daughter's past problems. She also advised that her privacy while at her place of employment would not be sufficient to protect this information.

b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 1/31/94

TO : SAC, TAMPA (209B-TP-28810) *PRA*
 FROM : SAC, PHILADELPHIA (209B-TP-28810) (HRA) (P)

h SUBJECT:

STRAIGHT, INC.,
 Gandy Boulevard,
 St. Petersburg, Florida;
 FBW-Insurance;
 OO: TAMPA

Re TP airtel to AT and other offices dated
 11/10/93.

Enclosed for TP are the following:

1. An original and two copies of a 12/9/93 FD-302 pertaining to an interview of as well as a 1A envelope pertaining to that interview.
2. An original and two copies of an FD-302 pertaining to the 1/19/94 of as well as a 1A envelope pertaining to that interview.
3. One packet of information containing billing information received from as well as information regarding other STRAIGHT, INC., clients.

②-Tampa (Enc. 1) (209A-TP-28810) *W*
 2-Philadelphia (209A-TP-28810) (HRA)

GBL:am
 (4)

Approved: _____ Transmitted _____
 (Number) (Time)

Per

209B-TP-28810-93
 SEARCHED *BT* INDEXED *BT*
 SERIALIZED *BT* FILED *BT*
 FEB 1 1994
Wlc sent

b6
 b7C

b6
 b7C
 b7D

b6
 b7C

For the information of TP the interview of [redacted] was delayed while [redacted] obtained the documents required by TP's. TP should note that [redacted] was able to provide a list which contains approximately 60 names of individuals who had a son or daughter enrolled with SI. PH is currently attempting to set up interviews with several of the individuals on this list to include [redacted]

[redacted]

Two other families on this list appear to reside in the HRA territory, however, both have moved [redacted] listed as living in [redacted] have moved to an unknown location. [redacted] have moved to [redacted]

[redacted] A brief interview of [redacted] was conducted over the telephone. [redacted] advised his son was enrolled as a patient with SI from [redacted] He indicated that his son had a drug problem and that he did not have problems with SI. He also noted that his insurance company paid a majority of his son's treatment at SI.

PH will interview the individuals previously described within the next several weeks. Two of these families have been contacted and need approximately one to one and a half weeks to put together a packet of information which would be beneficial to the investigation. As a result this case will remain in a pending status.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/30/93

[redacted] a white female, [redacted] was advised of the identity of the interviewing Agent and the nature of the interview. [redacted] provided the following information:

b6
b7C

[redacted] is their daughter [redacted] was a drug addiction patient at [redacted]. The insurance ran out and [redacted] was said to be cured by [redacted] and released [redacted] from the program [redacted] continued using drugs upon her release and her parents had heard of Straight, Incorporated from a former patient named [redacted] recalled that [redacted] family claimed that Straight had helped their son.

[redacted] went to Straight in [redacted], in early [redacted] was the counselor in charge at Straight and advised that after interviewing [redacted] it was decided she should become a patient [redacted] can not recall ever meeting any doctors while admitting her [redacted]. Everyone was a counselor [redacted] was asked to sign a prescription release for [redacted] to take [redacted] signed the form and was told she had to pay \$1100 (\$600 for medical fees and \$500 for entrance fees). [redacted] wrote the check and signed insurance forms.

b6
b7C

[redacted] was at Straight for about six weeks when she claimed they opened the door and told her if she wanted to leave she could. Two other teens left with [redacted] flew to [redacted] the next day to pick up her daughter [redacted] was not told the names of the other teens because they were juveniles. Straight had not informed her of [redacted] leaving and was shocked when [redacted] called [redacted] had been told by [redacted] that no one ever escaped from Straight [redacted] did not know what to believe because [redacted] was constantly lying about things [redacted] did say the place was horrible and she would rather die than go back.

b6
b7C

Investigation on 12/29/93 at [redacted] File # 209B-TP-28810

b6
b7C

by SA [redacted] Date dictated 12/30/93

20913-TP 28810-94

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 04 1994	
CIA	

b6
b7c

209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 12/29/93 , Page 2

b6
b7C

[REDACTED] works for [REDACTED] and all costs were covered by his insurance. Provident is the insurance company and can be contacted at (800) 621-4309. All bills were sent directly to the insurance company and [REDACTED] does not know how much they were charged. [REDACTED] was out by the end of [REDACTED] and Straight should not have charged for a full years treatment since her daughter escaped or was told she could leave.

[REDACTED] claimed to have gotten 11 hours of counseling per day but never mentioned any examinations [REDACTED] never received any paperwork on [REDACTED] and knows of no testing taking place. [REDACTED] did visit [REDACTED] once but the policy was you could not be alone with your child. The child stood up in a group and you told her how you felt.

b6
b7C

[REDACTED] did live at Straight for six weeks so [REDACTED] can understand the billing for room and board. No money was ever refunded but [REDACTED] does recall a letter coming telling her she was eligible for a \$700 refund but never got it. [REDACTED] never was told of any scholarships but didn't need one because her insurance paid everything but the \$1100 fee. [REDACTED] did not know of the Florida facility and never had any dealings with any doctor.

b6
b7C

[REDACTED] looked through her medical files but could not find any billings from Straight. [REDACTED] believes that all bills went directly to Provident insurance. [REDACTED] could not recall the names of any other patients because Straight was very secretive about dealing with juveniles. [REDACTED] was so disappointed with Straight that they never tried to contact them after [REDACTED] left. [REDACTED] felt it was not a good facility and regrets sending [REDACTED] there. [REDACTED] never spoke of the time she spent there but she has always been withdrawn. [REDACTED] does not feel she was abused but [REDACTED] never talks of Straight.

[REDACTED] could not find any documents on Straight and does not get her checks from her bank. The bank keeps the originals so she knows that she has no copy of the check for fees. [REDACTED] is willing to testify that [REDACTED] was only there six weeks and Provident should only be charged for that. Two weeks ago an Attorney sent a letter stating that [REDACTED] could sue for her \$1100 but she would have to hire an attorney. [REDACTED] threw out the letter and does not recall the name of the attorney.

b6
b7C

209B-TP-28810

Continuation of FD-302 of , On 12/29/93, Page 3 b6
b7C

or how he got her name. just wants to forget the entire experience with Straight.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 12/30/93

TO : SAC, TAMPA (PRA)
 FROM : SAC, SAN ANTONIO (209B-TP-28810) (P)
 SUBJECT :

b6
b7C

STRAIGHT, INCORPORATED,
 GANDY BOULEVARD,
 ST. PETERSBURG, FLORIDA;
 FBW - INSURANCE;
 OO: TAMPA

RE: Airtel from Tampa to Atlanta EtAl, dated
 11/10/93.

Enclosed for the Tampa Division are the original
 and two copies of an FD-302 of Also enclosed
 for Tampa is a 1A envelope containing interview notes of

b6
b7CLEADSAN ANTONIO DIVISIONAT SAN ANTONIO, TEXAS:Will interview

2- Tampa (Enc. 4) *af*
 2- San Antonio
 LGK:lgk
 (4)

209B-TP-28810-95
 BTJ BTJ

Approved: *J/Gum*

Transmitted

(Number)

(Time)

Per b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/11/94

[redacted]
[redacted] Social Security Account Number [redacted] date of birth [redacted]
[redacted] telephone number [redacted] was interviewed
at the Federal Bureau of Investigation office in San Antonio,
Texas. She was advised of the identity of the interviewing Agent
as well as the nature of the interview [redacted] provided the
following information:

[redacted] daughter [redacted] was experiencing severe
emotional problems [redacted]
[redacted]
recommended that [redacted] send her daughter to Straight,
Incorporated [redacted] had a son who went to Straight and highly
recommended the facility to [redacted]

[redacted] left home and went to Straight in Dallas
in the Summer of [redacted] left the facility in [redacted]
[redacted] was not sure of the type of counseling or care
that her daughter received while at Straight. [redacted] never
received copies of evaluations or other records from Straight.

[redacted] made lump sum payments to Straight in the
amounts of \$1,000, \$2,500, and \$3,000. In addition, she paid
\$420 monthly to Straight. Also, she was required to pay \$70 per
week to the host home for room and board for her daughter.
[redacted] would spend the day at the facility and would spend
the evening with a host. The \$70 per week was supposedly to
cover expenses incurred by the host [redacted] also recalled a
\$1,000 charge on her Mastercard which was paid to Straight.

The primary insurance carrier for [redacted]
treatment was Tower Life Insurance Company. This policy was paid
for by [redacted] also used Blue
Cross/Blue Shield as her secondary insurance company which also
made payments to Straight.

[redacted] did not receive any results of any tests
conducted by Straight or any other records.

Investigation on 12/17/93 at [redacted] File # 209B-TP-28810

by SA [redacted] :ccq Date dictated 12/23/93

209B-TP-28810-96

SEARCHED	INDEXED
SERIALIZED <i>BT</i>	FILED <i>BT</i>
MAR 03 1994	

ctr
w/ sent

b6
b7C

209B-TP-28810

Continuation of FD-302 of [redacted], On 12/17/93, Page 2

b6
b7C

[redacted] was not an in-patient at Straight. She stayed with various hosts in the Dallas area.

According to a billing statement from Straight [redacted] and/or the insurance companies were owed \$2,795 from Straight. This money was never refunded by Straight.

[redacted] was never informed of any scholarships or other government funding programs.

b6
b7C

[redacted] did telephonically contact Straight Headquarters, which she believed was located in Tampa, Florida. The telephone number was (813) 576-8929. She spoke with [redacted] Last Name Unknown.

[redacted] provided canceled checks, billing statements, and various other correspondence regarding Straight, Incorporated. These documents will be enclosed in a 1-A envelope.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 1/19/94

TO : SAC, TAMPA

FROM : SAC, SAN ANTONIO (209B-TP-28810) (SQ. 7) (RUC)

SUBJECT :
 ET AL;
 STRAIGHT, INCORPORATED,
 ST. PETERSBURG, FLORIDA;
 FBW-INSURANCE;
 OO: TAMPA

b6
b7C

Re Tampa airtel to Atlanta, et al, dated 11/10/93.

Enclosed for Tampa are an original and two copies of an FD-302 reflecting an interview of in San Antonio, Texas. Also enclosed in two separate 1-A envelopes are various documents provided by and the interviewing Agent's original interview notes.

b6
b7C

As no investigation remains in the San Antonio Division, this matter is being placed in RUC'd status.

②-Tampa (Encs. 5) *me*
 2-San Antonio
 LAC:ccg
 (4)

b6
b7C

1*

209B-TP-28810-97
 SEARCHED ☒ INDEXED ☒
 SERIALIZED ☒ FILED ☒
 MAR 10 1994
 FBI - TAMPA

Approved: *J. Ben*

Transmitted

(Number) (Time)

Per

w/c sent

Date 1/31/94

☐ Birth ☐ Credit ☐ Criminal ☐ Death ☐ INS ☐ Marriage* ☐ Motor Vehicle ☒ Other locate

To I.A. [redacted] Buded [redacted]
Return to S.A. [redacted] File number 209 B - 28810
Name and aliases of subject, applicant, or employee, and spouse

b6
b7C

[redacted]
Addresses
Residence [redacted]
Business [redacted]
Former [redacted]

*Date and place of marriage (if applicable) _____

Race	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	Age	Height	Weight	Hair	Eyes
Birth date	Birthplace					
Arrest Number	Fingerprint classification			Criminal specialty		
Social Security Number [redacted]			Drivers License Number			

Specific information desired _____

b6
b7C

Results of check

(addresses attached)

209 B - 28810-98

[redacted]
[redacted]

SEARCHED INDEXED
SERIALIZED FILED

FEB 1 1994

DONE 3-8-94 bjt
LEAD COVERED 2-2-94
ld assn 3-8-94

please see lead to
lead handled 2/2/94

Memorandum



To : SAC, TAMPA/PRA (209B-28810)
ATTN: [REDACTED]

Date 2/2/94

b6
b7C

From : SAVANNAH INFORMATION TECHNOLOGY CENTER
INVESTIGATIVE INFORMATION SERVICES

Subject: [REDACTED]

18075

Attached are copies of Investigative Information Services printouts setting forth results of inquiries conducted by Investigative Information Services. Also attached are two copies of an accomplishment/reply form. It is requested that you record the Investigative Information Services accomplishments on this form, return one copy to the Investigative Information Services, and maintain one copy together with the computer printouts as a serial in your case file.

Set forth below is a brief synopsis of results of inquiries.

Query of SSAN [REDACTED] revealed most recent credit activity occurred on [REDACTED]

b6
b7C

Property Records for [REDACTED] located on property in the name of [REDACTED]

1. [REDACTED]

[REDACTED] is the Registered Agent for the Coporation, Straight, Inc.

Should additional ~~contact~~ be necessary, this request was handled by Analyst [REDACTED],
Telephone [REDACTED]

b6
b7C

1 - TAMPA/PRA (Enc. TWO)

Attn: Special Agent Supervisor [REDACTED]

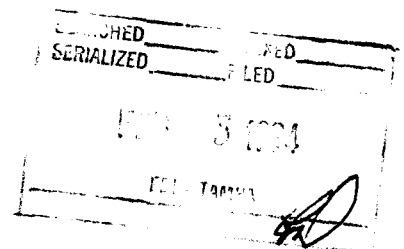
Note: Copy forwarded [REDACTED]

Via Mail ☒ / Facsimile ☒ Date 2-2-94

1 - SVITC

(2)

JD





INVESTIGATIVE INFORMATION REQUEST FORM

FBI, Savannah Information Technology Center

220 East Bryan Street
Savannah, Georgia 31401

Commercial Telephone or FTS [redacted]

FAX: [redacted]

Secure FAX: [redacted]

ITC Use Only:

SITC Record #: 18075

Date/Time In: 2-1 100:30 ☒ am ☐ pmDate/Time Out: 2/2 1220 ☒ am ☐ pm

Database(s) Used:

1. EB 5. MD 9. _____2. TU 6. LIN 10. _____3. TBW 7. PH 11. _____

4. _____

Handled By: [redacted]

b6
b7C
b7E

TO: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

Date: 1/31/94

Forfeiture/Seizure Related: ☐Type of Request: ☒ FAX ☐ Telcal ☐ MailReply: ☒ FAX ☐ Telcal ☐ Mail

Requestor: [redacted]

Phone # [redacted]

FAX #: [redacted]

UCFN: 209B-28810

(The UCFN (File #) is Required)

Office/RA: Tampa/PRA

Precedence: ☐ ROUTINE ☐ PRIORITY ☐ IMMEDIATEFugitive: ☐ Yes ☐ NoCCH Conducted: ☐ Yes ☐ NoDriver's Lic. Conducted: ☐ Yes ☐ No

Driver's License #: _____

State: _____

NCIC Activity/Date: _____

Off-Line Searches Conducted: _____

Subject: ☐ Yes ☐ No Vehicle: ☐ Yes ☐ No Driver's License: ☐ Yes ☐ No

Vehicle Registration: _____ State: _____

SEARCH CRITERIA (Attach additional sheets if necessary)

Name - Last: [redacted] First: [redacted] Middle: _____

Alias: [redacted] Sex: F DOB1: / / / DOB2: / / /

SSAN1: [redacted] SSAN2: _____ Spouse: _____

b6
b7C

RESIDENCE

Street Address: _____ City/State: _____ Zip: _____ Phone: _____

BUSINESS

Business Name: _____ Street Address: _____

City/State: _____ Zip: _____ Phone: _____ Business ID#: _____

CHECK DESIRED SEARCH PARAMETERS (Please check only those that are needed)

☒ 1. Specific Information Desired locate subject☒ 2. Determine All Individuals Associated with Social Security Number(s)☐ 3. Report Validity of Social Security Number☐ 4. Employment Report (subject to availability) INQUIRY WILL POST TO CONSUMER'S ACCOUNT☐ 5. Determine Who is Associated with Telephone Number(s)☒ 6. Determine Address of Business/Person (U.S. _____, _____, _____ State(s))☐ 7. Determine Property Owned by Individual (U.S. _____, _____, _____ State(s))☐ 8. Determine Who Owns Property Listed Above☐ 9. Determine Who Resides at Address Listed Above☒ 10. Determine Financial Background Info, Financial Associates/Institutions (NOT FULL CREDIT REPORTING)☐ 11. Determine Corporate Business Info/Institutions Associated with: _____

(Person/Business)

Reply From: FBI, Savannah Information Technology Center (SITC)

Return Reply To:

SAC. Adam McCaskey

Attention: [redacted]

Based on search criteria, marked records are attached:

- ☐ Possible Identifiable Records
- ☐ Other Peripheral Information
- ☐ Brief Synopsis of Information Found
- ☐ No Information Found

b6
b7C

***** EQUIFAX DTEC *****
* FBI - SAVANNAH PUBLIC SOURCE INFORMATION GROUP *
*

DATE: 01-31-1994 TIME: 23:29:12 SUBJECT ID: DTEC

DTEC [REDACTED]

b6
b7C

SSN ISSUED -74 STATE ISSUED-WI

M1 OF 3 NM- [REDACTED] 09/92
SS- [REDACTED]

M2 OF 3 NM- [REDACTED] 09/92
SS- [REDACTED]

M3 OF 3 NM- [REDACTED] 01/94
[REDACTED] 12/92
SS- [REDACTED]

FN- [REDACTED]
FN- [REDACTED]

END OF REPORT EQUIFAX AND AFFILIATES - 01/31/94
*** END OF REPORT ID: 01-31-1994/23:29:12 (ORN: 397) ***

***** TRANS UNION TRACE *****
* FBI - SAVANNAH PUBLIC SOURCE INFORMATION GROUP *

DATE: 01-31-1994 TIME: 23:31:09 SUBJECT ID: TRACE

TRCE

b6
b7C

TRANS UNION TRACE REPORT
FOR

QHO2870232

RPT ON

* SOCIAL SECURITY NUMBER TRACE *

NAME/SPOUSE
ADDRESS

MKT/SUB INFILE

15 SC

SSN

DATE

TIME

01/31/94 22:32CT

DOB

SSN OWNER

ADDR RPT DATE

1.

SUBJECT

09/93

05/89

2.

SUBJECT

05/88

04/87

3.

SUBJECT

10/93

08/92

4.

SUBJECT

10/93

END OF NETWORK TRACE

COPYRIGHT 1993, TRANS UNION CORPORATION

GO

*** END OF REPORT ID: 01-31-1994/23:31:09 (ORN: 398) ***

***** TRW SOCIAL SEARCH *****
* FBI - SAVANNAH PUBLIC SOURCE INFORMATION GROUP *

DATE: 01-31-1994 TIME: 23:32:14 SUBJECT ID: SOCIAL SEARCH

9- V-04/042/3.34

b6
b7C

PAGE 1 DATE 1-31-94 TIME 20:33:26 PCX01 V606

SSN:

FULL NAME/ADDRESS:

SPOUSE: C

SPOUSE: C

YOB:

ABBREVIATED NAME/ADDRESS:

YOB:

YOB:

b6
b7C

+++++ MORE

TSS 3097885 9-V-04/042/3.34

b6
b7c

PAGE 2 DATE 1-31-94 TIME 20:33:26 PCX01 V606

NOT TO BE USED FOR CREDIT GRANTING
MAY CONTAIN INFORMATION FOR MORE THAN ONE CONSUMER

END -- TRW SOCIAL SEARCH

*** END OF REPORT ID: 01-31-1994/23:32:14 (ORN: 399) ***

LEVEL 1 - 7 OF 8 DOCUMENTS

PERSON LOCATOR

* * * THIS DATA IS FOR INFORMATION PURPOSES ONLY * * *

RESIDENT(S)

APPROXIMATE BIRTH DATE

ADDRESS:

TELEPHONE NUMBER:

DWELLING-TYPE: DUPLEX

YEAR RESIDENCE FIRST LISTED IN PHONE BOOK: 93

* * * U.S. CENSUS BUREAU INFORMATION * * *

MEDIAN HOME VALUE BY CENSUS TRACT: \$ 180,600

Press Alt-H for Help or Alt-Q to Quit.

LEVEL 1 - 5 OF 8 DOCUMENTS

PERSON LOCATOR

* * * THIS DATA IS FOR INFORMATION PURPOSES ONLY * * *

RESIDENT(S)

APPROXIMATE BIRTH DATE

ADDRESS:

TELEPHONE NUMBER:

DWELLING-TYPE: DUPLEX

HOMEOWNER PROBABILITY: CONFIRMED

YEAR RESIDENCE FIRST LISTED IN PHONE BOOK: 93

* * * U.S. CENSUS BUREAU INFORMATION * * *

MEDIAN HOME VALUE BY CENSUS TRACT: \$ 180,600

Press Alt-H for Help or Alt-Q to Quit.

b6
b7C

b6
b7C

LEVEL 1 - 7 OF 10 RECORDS

TRW REDI Property Data, Copyright (c) 1993

PROPERTY RECORDS FOR LOUDOUN COUNTY, VA

ESTIMATED TAX ROLL CERTIFICATION DATE APRIL 1, 1993

Owner: Mailing Address: b6
b7C

***** LOCATION *****

Property Address: Municipality:

Property Use (REDI): Single Family Residence

Assessor's Parcel Number: 048-T1- 2- - 440

***** ASSESSMENT VALUES *****

Land Value: \$ 47,100

Improvements: 109,700

Total Value: \$ 156,800

Property Tax: \$ 1,568.00

Use Code: SINGLE FAMILY RESID

***** SALE INFORMATION *****

Sale Price: \$ 183,265 Full Sale Amount

Transfer Date: 08/92

Loan Amount: \$ 174,100 CNV

Term: 30

Book/Page: 001183/001887

Lot Size: 0.160 acres

Improved Square Feet: 1,782 (building) 680 (base)

Year Constructed: 1992

***** PROPERTY CHARACTERISTICS *****



Units:	Stories:
Rooms:	Heating:
Bedrooms:	Cooling: CENTRAL AIR
Bathrooms: 0.1	Floor: CARPET
Fireplaces:	Walls: ALUM/VIN SIDING
Pool:	Const: STANDARD UNIT

LEVEL 1 - 8 OF 10 RECORDS

TRW REDI Property Data, Copyright (c) 1992

PROPERTY TRANSFER RECORD FOR LOUDOUN COUNTY, VA

b6
b7C

Buyer:

Buyer Address:

Seller: RICHMOND AMERICAN HOMES OF VA

Property Address:

Sale Price: \$ 183,265

Recorder Date: 09/01/1992

Sale Date: 08/31/1992

Book/Page: 01183/1887

Assessor's Parcel Number: 48T1 2 440

Deed Type: DEED

Lender: HOME FEDERAL S & L ASSN

Loan Amount: \$ 174,100 CONVENTIONAL

Land Use Code: 1;

Land Use: Single Family Residence

THIS DATA IS FOR INFORMATION PURPOSES ONLY, CERTIFICATION CAN ONLY
BE OBTAINED THROUGH THE OFFICE OF THE TEXAS SECRETARY OF STATE.

Detail Display of Registered Agent Data for Texas

For:

Thru Date: 01/26/94^{b6}
b7c

Item Number: 0001
Name: STRAIGHT, INC.
Number: 0006795907
Date: 12/31/1985
Originated: FL
Type: FOREIGN NON-PROFIT
Duration: PERPETUAL
Status: ACTIVE

REGISTERED AGENT INFORMATION

2900 GATEWAY STE 600 IRVING TX 75063

END OF DATA

Enter request:

Alt-Z FOR HELP° TTY ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

INVESTIGATIVE INFORMATION SERVICES

In order to help us better serve your investigative needs,
please complete the following and return to:

**FBI, Savannah Information Technology Center
220 East Bryan Street
Savannah, Georgia 31401**

SAVANNAH ITC RECORD #: 18075 UCFN: 209B-28810
ANALYST:

b6
b7C

Was the information provided helpful to your investigation?

☐ YES

☐ NO

If **NO**, please let us know how we could be more helpful to your
investigation: _____

ACCOMPLISHMENT(S) resulting from information:

PERSON(S): (Enter **total number** applicable to each of the following)

_____ FBI Fugitive(s) Arrested: ☐ FBI ☐ Local Date _____
_____ Local Fugitive(s) Arrested: ☐ FBI ☐ Local Date _____
_____ Subject(s) ☐ Arrested ☐ Located ☐ Identified
_____ Witness(es) ☐ Located ☐ Identified
_____ New Witness(es) ☐ Located ☐ Identified

BUSINESS(ES): (Enter **total number** applicable to each of the following)

_____ New Business(es) Identified
_____ New Business Associates/Associations Identified
_____ Financial Audit Trail(s) Enhanced

ASSET(S): (Enter **total number** applicable to each of the following)

(TYPES: C = CASH R = REAL PROPERTY P = PERSONAL PROPERTY)

_____ Asset(s) ☐ Located ☐ Identified [VALUE: _____ TYPE: ____]
_____ Asset(s) Subject to Seizure/Forfeiture [VALUE: _____ TYPE: ____]
_____ Potential Economic Loss Prevented [VALUE: _____ TYPE: ____]

OTHER: (Enter **total number** applicable to each of the following)

_____ New Case(s) Initiated
_____ New Lead(s) Generated

COMMENTS: _____

1 - Case File -
1 - SITC

b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/16/94

[redacted] white female Date of Birth (DOB) [redacted]
[redacted] telephone [redacted]
[redacted] was advised of the identity of the interviewing Agent and the purpose for the interview [redacted] thereafter provided the following information:

b6
b7C

[redacted] advised she was employed [redacted]
[redacted] of STRAIGHT, INCORPORATED (STRAIGHT) from [redacted]
[redacted] voluntarily resigned from her position with this organization to care for her two children.

In [redacted] had returned to STRAIGHT
[redacted] At this time, [redacted] discovered that the "atmosphere and environment" had changed [redacted]
[redacted] in the position of [redacted]
[redacted] under the direct supervision of [redacted]
[redacted]

b6
b7C

[redacted] described the accounting facilities of STRAIGHT to be a centralized format. Expanding on this statement [redacted] advised the ten programs which were located throughout the United States would make daily deposits into their local bank accounts. At the end of each day, the national headquarters at STRAIGHT would transfer these funds into a centralized account in St. Petersburg, Florida. The national headquarters would then administer the funds deposited into this account and make payment to vendors throughout the United States and payroll expenses. [redacted] advised that as early as 1989, it was a challenge to have headquarters make refunds to parents on their insurance payments. In addition, it was difficult for programs to obtain the products or supplies they needed to effectively operate their facilities.


b6
b7C

Investigation on 2/10/94 at [redacted] File # 209B-TP-28810
by SA [redacted] : lm Date dictated 2/10/94

b6
b7C

209B-TP-288D-99

~~BT~~ ~~BT~~

CLP  *[Signature]*
wlc sent

b6
b7C

209B-TP-28810

Continuation of FD-302 of _____, On 2/10/94, Page 2

b6
b7C

During _____ tenure at STRAIGHT, any interaction with the members of the Board of Directors was discouraged. _____ there was limited or no discussion regarding the finances and economic problems of STRAIGHT. The managerial meetings generally focused on obtaining JACHO approval and a uniform procedure for submission of insurance claims. When _____ was hired by the Board of Directors _____ initiated many changes in reference to insurance billings and daily operations. In particular was the use of corporate credit cards for personal use. Although employees had no corporate vehicles, they were allowed to use the corporate credit cards for gasoline for their personal cars, and payment of lunches and other entertainment. It is the opinion of _____ that _____ approved this format in order to circumvent lower salaries and to provide a perk for her employees.

In _____ was advised she was to travel to California to attend meetings for STRAIGHT. _____ was hesitant about taking this trip due to the birth of her child; however, she was ordered by management to make this trip. _____ did travel to California with the executive staff and various administrators from the programs located throughout the United States. Upon arrival in California _____ learned that this was, in fact, not a business meeting, but actually according to _____ a reward for a job well done. Although during the four days there they did attend only two meetings, the remaining amount of time was spent for personal entertainment such as skiing. All of the expenses, to include the hotel and rental cars, were submitted to STRAIGHT. _____ is not aware if the Board of Directors approved of this expense.

b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 3/10/94

TO : SAC, WMFO
 FROM : SAC, TAMPA (209B-TP-28810) (PRA) (P)
 SUBJECT :

ET AL;
 STRAIGHT, INCORPORATED,
 GANDY BOULEVARD,
 ST. PETERSBURG, FLORIDA;
 FBW - INSURANCE;
 OO: TAMPA

For information of WMFO, this case was initiated upon receipt of a referral from the UNITED STATES ATTORNEY'S OFFICE, Middle District of Florida. STRAIGHT, INCORPORATED was a non-profit adolescent substance abuse treatment facility with headquarters in St. Petersburg, Florida, and facilities operating throughout the United States.

Parents of adolescents for the substance abuse program were required to pay anywhere from \$14,000 to \$19,000 to STRAIGHT for an 18 month course of treatment. The parents were required to assign their interest in their insurance claims directly to STRAIGHT. STRAIGHT would then submit the claims to the various insurance companies for payment indicating they were in-patient service facilities. In addition, STRAIGHT was billing the insurance companies for physician and psychiatrist services. Instead of reimbursing the parents with the payment they received from the insurance

2-WMFO
 ② Tampa
 CFB:lm
 (4) *per*

209B-TP-28810-100
 SEARCHED _____
 INDEXED _____
 SERIALIZED *BT*
 FILED *BT*

Approved: _____ Transmitted _____ Per _____
 (Number) (Time)

b6
 b7C

b6
 b7C

c/a *Wlc sent*

companies, the money was maintained by STRAIGHT for payroll and operating expenses. When the insurance companies failed to notify the parents of the reimbursement to STRAIGHT, STRAIGHT did not notify the parents they had received payments from the insurance companies for the same services the parents had already paid. In addition, investigation has indicated that on some occasions services billed to the insurance carrier were not actually rendered.

From 1988 to 1990 STRAIGHT was experiencing severe cash flow difficulties. Some explanations for the difficulties are attributed to over expansion, decrease in patient admissions, several large settlements regarding the treatment of patients, and the mismanagement of funds.

STRAIGHT did lay off numerous employees and instituted a five percent reduction of pay for the remaining employees. Interviews conducted to date determine that while these reductions were instituted [REDACTED]

[REDACTED] continued to receive high salaries, numerous benefits, and utilization of company credit cards for their personal use in lieu of the reduction or non-receipt of a pay raise.

[REDACTED] also known as [REDACTED] SSAN [REDACTED] address [REDACTED] was [REDACTED] of STRAIGHT, INCORPORATED. In addition [REDACTED] was employed by STRAIGHT in [REDACTED]

LEAD:

WMFO DIVISION

AT [REDACTED]

Locate and interview [REDACTED] and obtain the following information:

[REDACTED] position and responsibilities at STRAIGHT, INCORPORATED [REDACTED]

Knowledge of the doctors on staff and if physicians were present during the treatment of the children.

Was STRAIGHT, INCORPORATED JACHO approved?

What information was provided to the insurance carriers providing payment for the patients?

Inquire as to whether STRAIGHT provided room and board services as an inpatient facility or if they were considered an outpatient facility. Was [] aware that STRAIGHT billed the insurance carriers for inpatient services and other services which were not provided by STRAIGHT?

b6
b7C

Ascertain from [] as to why there was a difference in fees submitted to insurance companies for services provided to the patients.

Obtain from [] an explanation of the services which were provided in the initial \$500 entrance fee and the \$600 medical fee. Inquire of [] as to whether she was aware that the national headquarters were not returning insurance refunds to the parents of the patients. Ascertain from [] who gave this directive and who was the Washington contact at the national headquarters in St. Petersburg, Florida.

b6
b7C

Inquire of [] if any individuals from headquarters travelled to the program in Washington, and identify the purpose of their trip.

b6
b7C

Finally, inquire of [] who was responsible for the monitoring of group therapy sessions as to whether it was other patients of STRAIGHT or were psychiatrists or physicians in attendance during these group therapy sessions.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/22/94b6
b7C

[redacted] date of birth [redacted]
was interviewed at her place of employment [redacted]
[redacted] telephone [redacted]

After being advised of the identity of the interviewing agent and the nature of the interview, the following information was provided:

[redacted] formerly employed as [redacted]
[redacted] STRAIGHT, INC. (STRAIGHT) in [redacted]
[redacted] first became employed by STRAIGHT in about [redacted]
[redacted] when STRAIGHT moved it's operation from [redacted]
[redacted]
[redacted] was resigning due to STRAIGHT's move.

b6
b7C

[redacted]
[redacted]
[redacted] was paid
on a contract basis of \$90.00 per hour and estimates that she
spent an average of 8- 10 hours per week performing services for
STRAIGHT. [redacted] was paid on a monthly basis based on time-
sheets she provided to [redacted]
[redacted]

b6
b7C

When [redacted] was first hired by STRAIGHT, the
administrators were [redacted] After
[redacted] left [redacted] became administrator.

b6
b7C

[redacted]
[redacted] had no role in management and was never involved in
board meetings. In an administrative capacity [redacted] met
with the administrator, the nurse, and the counselors, once per
week. [redacted] felt that the liability for this position was
high in respect to the compensation.

Investigation on 1/20/94 at [redacted] File # 209B-TP-28810

b6
b7C

by SA [redacted] Date dictated 1/20/94

2008-10-28810-101

SEARCHED INDEXED
SERIALIZED FILED

MAR 10 1997

CLA



wlc sent

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 1/20/94, Page 2

b6
b7C

STRAIGHT's group therapy sessions were conducted by "certified" counselors who were neither medical doctors or psychologists. [REDACTED] observed a few of the group therapy sessions in order to get the feel for what was being done.

[REDACTED] was not aware of what types of reporting was required when filing claims for these services with insurance companies. [REDACTED]

b6
b7C

[REDACTED] did not know whether or not STRAIGHT charged for "room and board." STRAIGHT did not provide room and board facilities, but utilized the "host-home" concept. [REDACTED] was told by STRAIGHT that this was a cost-effective procedure. STRAIGHT referred to their program as being an "intensive outpatient" program.

b6
b7C

[REDACTED] never visited a host-home. STRAIGHT employed social workers to visit the host homes.

[REDACTED] contact with STRAIGHT's corporate management was primarily limited to a social function associated with the opening of STRAIGHT's Irving location in February, 1989. [REDACTED] met [REDACTED] whom [REDACTED] described as being STRAIGHT's [REDACTED]

b6
b7C

[REDACTED] recalled meeting another corporate officer, described only as being a white, male, relative to [REDACTED]

b6
b7C

[REDACTED] They were told by this individual, "You make the recommendation, we make the decision."

[REDACTED] left STRAIGHT in [REDACTED] primarily due to two reasons. First [REDACTED] sensed financial instability throughout the abuse treatment industry. [REDACTED]

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 1/20/94, Page 3

b6
b7C

Second, however [REDACTED] began to feel anxious about STRAIGHT's treatment program approach. STRAIGHT's treatment was not tailored in any way to individual needs. The average treatment program experienced only about a 25% success rate, and [REDACTED] estimates that STRAIGHT's was probably less. [REDACTED] also had become concerned about what went on at the host homes [REDACTED] had met some of the parents and they sometimes appeared to be dysfunctional themselves.

b6
b7C

At the conclusion of the interview [REDACTED] reviewed [REDACTED]
[REDACTED] confirmed that those signatures which were legible were hers.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/22/94

[redacted]
[redacted] telephone [redacted] was interviewed at his place of employment located at [redacted]. After being advised of the identity of the interviewing agent and the nature of the interview, the following information was provided:

[redacted] previously served as [redacted] STRAIGHT, INC. from [redacted]
[redacted]

[redacted] recalled that [redacted] was the administrator at the time. [redacted] also met with [redacted] who was leaving [redacted] position due to her concern about problems she thought STRAIGHT was having.

[redacted] agreement with STRAIGHT was for him to receive a retainer of \$1,000 - \$1,200 per month. In return [redacted] would [redacted]
[redacted]

STRAIGHT only paid the retainer for a few months and [redacted] estimates that he is still owed from \$8,000 to \$9,000. STRAIGHT did continue to pay [redacted] for [redacted]
[redacted]

When [redacted] would go to the STRAIGHT facility to
[redacted]

Investigation on 1/21/94 at [redacted] File # 209B-TP-28810

by SA [redacted] Date dictated 1/21/94

207B-TP-283D-102

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 10 1954	

CTA



w/c sent

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 1/21/94, Page 2

b6
b7C

[REDACTED]

The therapy sessions were conducted by counselors who were merely former STRAIGHT patients. These counselors were referred to by STRAIGHT as paraprofessionals. [REDACTED]

[REDACTED] STRAIGHT's licensed counselors did not conduct the therapy sessions, but only oversaw the paraprofessionals.

STRAIGHT's facility was not the typical "outpatient" facility, but there was no provision of room and board services, either. STRAIGHT utilized the "host-home" concept [REDACTED] knew that parents were required to pay a fee to the host-home, however he did not know that STRAIGHT was billing insurance companies for room and board [REDACTED] often wondered about the wisdom of placing the patients in homes of parents who, themselves, had children in the program. Obviously these parents had not done very well with their own children.

b6
b7C

[REDACTED]

[REDACTED]

b6
b7C

Other than [REDACTED] had no involvement in the business aspects of STRAIGHT [REDACTED] had no regular contact with the STRAIGHT corporate office except when he was owed money.

[REDACTED] left STRAIGHT in [REDACTED] after they started having problems with Texas authorities regarding STRAIGHT's use of physical restraint [REDACTED] began to feel unsafe after the state restricted the use of physical restraint [REDACTED] also knew that STRAIGHT was having financial problems.

b6
b7C

[REDACTED] felt that STRAIGHT's program was working for some patients, however their rate of success appeared to change after they lost the ability to physically control and discipline the patients.

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 1/21/94, Page 3

b6
b7C

At the conclusion of the interview, [REDACTED] reviewed
[REDACTED]
[REDACTED] confirmed the signatures
as his and also noted [REDACTED]
[REDACTED] did not bear his signature.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/18/94

On January 3, 1994 [redacted] was contacted and interviewed at her residence [redacted] telephone number [redacted]. After being advised of the identity of the interviewing agent and the nature of the interview [redacted] provided the following information:

[redacted] advised that she first became familiar with STRAIGHT while attending "Tough Love" meetings in [redacted]. [redacted] knew that she was experiencing behavioral problems with her son [redacted]. [redacted] advised that her son did have behavioral problems and an alcohol problem and that her attempts to deal with him were somewhat unsuccessful. In [redacted] based upon a recommendation by [redacted] advised that she and [redacted] with the assistance of two other persons, transported her son [redacted] to the Dallas office of STRAIGHT. [redacted] advised that upon arrival [redacted] a counsel for STRAIGHT, interviewed [redacted] for most of the day. [redacted] further advised that she and [redacted] were both asked to answer numerous questions both verbally and in writing. [redacted] recalled filling out numerous forms prior to [redacted] being admitted. [redacted] advised that her son was in the STRAIGHT program for 18 months. [redacted] stated that from [redacted] until [redacted] her son received counseling and treatment through the Dallas facility. However, in [redacted] [redacted] had the understanding that there had been problems relating to the approval of the facility by the state regulators and that the State wanted to control the Host homes, which were homes that families of patients would open up to other children who were experiencing behavioral problems. [redacted] had the understanding STRAIGHT lost its accreditation from the State for their Dallas facility. [redacted] then advised that she and her son moved to [redacted] in an attempt to continue the counseling and treatment with STRAIGHT. [redacted] advised that there were numerous counselors, both psychiatric and psychological, although she could not recall their names. In reference to the fees charged, [redacted] advised that this would have all been handled

Investigation on 1/3/94 at [redacted] File # 209B-TP-28810

by SA [redacted] /mh Date dictated 1/3/94

209B-TP-200810-103

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 10 1994	

w/lost

CTA



1/1

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 1/3/94, Page 2

through her insurance company and that she was never involved in this process. [REDACTED] advised that the insurance carrier was through [REDACTED] and the telephone number is [REDACTED] with the contact persons either being [REDACTED]

b6
b7C

When asked about any testing that was done by STRAIGHT INCORPORATED, [REDACTED] advised that in fact drug testing and other types of testing were done on the patients and the results of such tests were discussed with the parents. In reference to the \$600 medical payment required upon admission, [REDACTED] advised that she had no idea what would have been included in that payment. [REDACTED] did advise that her recollection was that the price for admission ranged from \$6,000 to \$8,000. [REDACTED] did state that at the time of admission she was given a complete breakdown of how each dollar figure was arrived at.

b6
b7C

In reference to anyone being described as an "inpatient" at STRAIGHT, [REDACTED] advised that neither the facility in Orlando nor the one in Dallas was a facility that provided room and board. Therefore, the patients were placed in Host homes and the homes were paid a flat fee of approximately \$10 per day. [REDACTED] explained that in each Host home there may be an average of four patients with at least one or two of the patients having almost successfully completed the counseling necessary for graduation. A third patient would be midway through the program and the fourth patient may represent a new patient who had just arrived at STRAIGHT, INCORPORATED for help. [REDACTED] advised that although the patient stayed in the host homes they were all required to be at the STRAIGHT facility from approximately 8:30 a.m. until 6:00 p.m., each day.

b6
b7C

In reference to refunds from STRAIGHT, INCORPORATED, [REDACTED] advised that in fact she did receive a refund from STRAIGHT, INCORPORATED for her Host home fees that she had paid for her son during his involvement with STRAIGHT while in the Dallas area. [REDACTED] advised that initially she paid these fees up front and it was after she and her son moved to [REDACTED] for the continuation of the program that her insurance company reimbursed STRAIGHT for [REDACTED] out of pocket expense. [REDACTED] advised that, in fact, she had followed up on the receipt of this reimbursement with [REDACTED] br [REDACTED] (LNU), who was the accountant at the STRAIGHT office in [REDACTED]. [REDACTED] stated that eventually she did receive full reimbursement from STRAIGHT by way of payment from her

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 1/3/94, Page 3

b6
b7C

insurance company [REDACTED] advised that she recalled hearing other parents talk about problems with receiving refunds due them from STRAIGHT, INCORPORATED, although she was never sure whether or not the problems were resolved. [REDACTED] did not have available any names of any individuals to be contacted. [REDACTED] advised that she merely heard rumors among the other parents.

b6
b7C

[REDACTED] advised that she was never informed of any scholarship or Government funding program relating to the treatment and counseling that her son received. [REDACTED] advised that the insurance company that covered her son's treatment was very good and it paid 100 percent and therefore, she had no need of additional financial support to pay for the treatment.

[REDACTED] advised that she was very pleased with the results of STRAIGHT, INCORPORATED. [REDACTED] advised that her son never actually graduated from the program because in the spring of 1992 the Orlando facility closed up. Once again [REDACTED] had the understanding that there were problems with State approval. [REDACTED] stated that her son [REDACTED] did not want to go to another facility. Therefore, she and her son returned to [REDACTED]

b6
b7C

[REDACTED] advised that [REDACTED] the one who initially referred her to STRAIGHT, INCORPORATED, has had one child who successfully graduated from the program and another child who is currently being treated through the STRAIGHT program. [REDACTED] advised that she has been very impressed with the results she has seen and that she personally felt that she was in no way violated financially.

[REDACTED] is described as follows:

Name:

Race:

Sex:

Date of Birth:

Place of Birth:

Social Security Number:

White

Female

b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 3/11/94

TO : SAC, TAMPA (PRA) (209B-TP-28810)
 FROM : SAC, DALLAS (209B-TP-28810) (WCC5) (P)
 SUBJECT :
 ET AL;
 FBW - INSURANCE;
 OO: TAMPA

Re Tampa airtel to Atlanta, dated November 10, 1993, and Tampa airtel to Dallas, dated December 8, 1993.

Enclosed for Tampa are the following:

- 1) The original and one (1) copy of an FD-302 setting forth the results of an interview of
- 2) The original and one (1) copy of an FD-302 setting forth the results of an interview of
- 3) The original and one (1) copy of an FD-302 setting forth the results of an interview of
- 4) Three (3) 1-A envelopes containing the original interview notes of

3 - Tampa (Enc. 11)
 2 - Dallas
 MRH/eh
 (5)

209B-TP-28810-104

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 16 1994	
FBI - TAMPA	

Wlc sent

Approved: _____

Transmitted _____

(Number) (Time)

Per _____

b6
b7Cb6
b7Cb6
b7C

209B-TP-28810

5) Two (2) 1-A envelopes containing insurance
claims reviewed by

Investigation is continuing at Dallas.

b6
b7c

Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA) (P)

Date 3/10/94

From : SA [REDACTED]

b6
b7C

Subject: [REDACTED]

ET AL.;
STRAIGHT, INCORPORATED,
ST. PETERSBURG, FLORIDA;
FRAUD BY WIRE - INSURANCE
(OO: TAMPA)

The purpose of this memo is the update of the file.

On February 14, 1994, Special Agent (SA) [REDACTED] met with Assistant United States Attorney (AUSA) [REDACTED] regarding captioned matter. The focus of this meeting was on the absence of evidence in referenced matter [REDACTED]. [REDACTED] AUSA [REDACTED] was informed that SA [REDACTED] had scheduled an appointment with [REDACTED]. It was agreed during this meeting that the interview should be conducted [REDACTED].

b3
b6
b7C

AUSA [REDACTED] advised that he would schedule grand jury [REDACTED]. [REDACTED] A meeting will be scheduled following this grand jury testimony to review the prosecutive merits of referenced investigation.

b3
b6
b7C

② - Tampa
CB:cw CW

CAB (2)

b6
b7C

1*

209B-TP-28810-105

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 10 1994	
FBI - TAMPA	

JA [REDACTED]

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/16/94b6
b7C

[redacted] Texas Commission on Alcohol and Drug Abuse (TCADA), 710 Brazos Street, Austin, Texas, was contacted at his place of employment and advised of the identity of the interviewing Agent. [redacted] was informed that the nature of the contact was concerning his agency's investigation regarding Straight, Inc.

According to [redacted] Straight is a non-profit corporation chartered in the State of Florida providing adolescent chemical dependency treatment. At the time of TCADA's investigation, Straight was doing business at 2900 Gateway, Suite 600, Irving, Texas. Straight was licensed as a chemical dependency treatment facility by TCADA on or about June 4, 1986.

[redacted] advised that as a result of numerous complaints regarding Straight, his agency initiated an investigation in May, 1990. Complaints centered around the physical abuse of clients, namely teenage children, while in treatment at Straight facilities. Allegations of physical abuse consisted of clients and staff restraining other clients, lack of food and bathroom access, and the striking of clients.

In approximately November, 1991 Straight chose not to renew its license to operate treatment programs for adolescents. [redacted] said that this was the result of a formal hearing held in September, 1991, wherein Straight officials were told that the TDADA was going to pursue action in order to revoke their license. In regards to medical billings associated with the treatment, [redacted] stated that their investigation did not focus on that area. Straight was licensed in the State of Texas as an out patient treatment facility.

b6
b7C

[redacted] advised that as a result of the investigation, his agency has approximately ten boxes containing documents and records regarding Straight. Furthermore, [redacted] provided SA [redacted] with a three ring binder containing the results of TCADA's investigation.

Investigation on 3/3/94 at Austin, Texas File # 209B-TP-28810

by SA [redacted] /njm Date dictated 3/8/94

b6
b7C

20913-TP-28810-106

BT BT

w/ sent CIA *MS*

b6
b7c

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 3/16/94

TO : SAC, TAMPA
 FROM : SAC, SAN ANTONIO (209B-TP-28810) (SQ. 12/ARA) (P)
 SUBJECT :
 ET AL;
 FBW - INSURANCE;
 OO: TAMPA

b6
b7C

Reference Dallas airtel to Tampa dated 1/26/94.

Enclosed for Tampa are the following items:

1. Original and two copies of an FD-302 reflecting interview of
2. One black binder provided by containing documents and reports associated with Texas Commission on Alcohol and Drug Abuse's (TCADA) investigation on Straight, Inc. (FD-192 attached).

b6
b7C

For information of Tampa advised that TCADA's investigation focused on physical abuse of adolescents being treated at the Straight facility. TCADA did not investigate the billing of client services, therefore does not have any first hand knowledge of fraudulent billing activities. Nevertheless stated that he would review TCADA's investigation records for information concerning billings and would recontact interviewing Agent.

b6
b7C

Investigation pending.

2 - Tampa (Encl. 5) *3/21/94*
 2 - San Antonio
 VMO/njm
 (4)

209B-TP-28810-107
 Bot Bot

b6
b7CApproved: *JW/K*

Transmitted

(Number)

(Time)

Per *Wlczen*

209B-TP-28810

LEAD:

SAN ANTONIO DIVISION

AT AUSTIN, TEXAS:

Recontact in order to determine if billing information was collected during TCADA's investigation of Straight, Inc.

b6
b7c

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/10/94b6
b7C

[redacted]
[redacted] white male, Date of Birth [redacted]
[redacted] was advised of the identity of the interviewing agent and
the purpose for the interview. Also present during this
interview was Attorney [redacted] of Tampa, Florida. [redacted]
then made available the following information:

⑧
C+8

[redacted]
[redacted]

b6
b7C

Initially the organizers of the program did obtain a government grant for the implementation of the program. Due to regulations and administrative requirements of the Federal government, STRAIGHT, INCORPORATED, did not utilize this resource again. The program was based on the fact the treatment facility was for the well-being of the community; therefore, they were relying on community financial support. Parents would be responsible for 60 to 75 percent of the cost for their child, whereby the community would generate the remaining 25 percent in funds through various fund-raising activities. The success of STRAIGHT, INCORPORATED, led to clients requesting admission from all over the United States and internationally. In response to this, STRAIGHT, INCORPORATED, began expansion plans. During the late 1980's, there was an internal conflict between the staff members of STRAIGHT, INCORPORATED [redacted]

b6
b7C

[redacted]
[redacted] IN [redacted] was hired
by the board of directors to administer the STRAIGHT,
INCORPORATED, program. [redacted] was hired based on her
experience [redacted]

Investigation on 2/15/94 at St. Petersburg, Florida File # 209B-TP-28810

b6
b7C

by SA [redacted] CW Date dictated 2/15/94

209B-TP-28810-108

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 10 1994	
FBI - TAMPA	

CIA

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 2/15/94, Page 2

b6
b7C

Under [REDACTED] administration, accounting functions and other administrative responsibilities were centralized at the national headquarters located in St. Petersburg, Florida. [REDACTED] opinion this is the decision that caused the decline of STRAIGHT, INCORPORATED. STRAIGHT FOUNDATION was created as a resource for raising funds for STRAIGHT, INCORPORATED. STRAIGHT, INCORPORATED, itself did not possess any assets. Instead of seeking support from the community, STRAIGHT, INCORPORATED, relied too heavily on the foundation. [REDACTED] programs located throughout the United States failed to obtain community support; therefore, becoming a financial burden to the St. Petersburg program and the national foundation.

[REDACTED] STRAIGHT, INCORPORATED, was an outpatient facility; however, it did obtain JACHO approval.

[REDACTED]

b6
b7C

[REDACTED]

[REDACTED]

[REDACTED] In [REDACTED] learned that insurance refunds were not being returned to the families. [REDACTED] not aware that insurance refunds were not being returned as far back as [REDACTED] Information regarding lack of insurance refunds to parents was not volunteered by [REDACTED] but this information was made available to the board of directors only after the board was inquiring about their accounts payable and accounts receivable on their financial statements.

b6
b7C

In view of the fact STRAIGHT, INCORPORATED, could no longer pay for itself, the board of directors decided in 1993 to close the facility. The first concern of the board was to locate placement for the children under treatment. The patients under STRAIGHT, INCORPORATED, care were transferred to facilities in Orlando, Atlanta, and Detroit.

[REDACTED] discussions with [REDACTED] regarding the storage of the volumes of medical records. Initially [REDACTED] attempted to have the DEPARTMENT OF HEALTH AND REHABILITATIVE SERVICES (HRS) accept custody of the documents due

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 2/15/94, Page 3

to their confidential medical nature; however, HRS refused to accept these files. It was then determined that the documents should be destroyed because of the confidential nature of the information in the files [REDACTED] believed [REDACTED] was only disposing of medical records for the closed programs and children no longer under the care of STRAIGHT, INCORPORATED, which he described as "dead files." [REDACTED] no conversation regarding the destruction of financial records and was unaware if an inventory was maintained when the files were destroyed.

b6
b7C

[REDACTED] no information as to the compensation packages for the executive staff, to include the utilization of company vehicles and/or credit cards [REDACTED] recall a trip where [REDACTED] had travelled to Spain to attend an international drug meeting [REDACTED] was concerned whether or not STRAIGHT, INCORPORATED, was paying for this trip; however, he was informed by [REDACTED] that STRAIGHT, INCORPORATED, was not financing this trip [REDACTED] not aware that four individuals travelled to Spain at the expense of STRAIGHT, INCORPORATED [REDACTED] no information regarding a "reward" convention in California [REDACTED] no information as to why corporate credit cards would have been utilized for personal expenses; however, if they were, he assumed that a method of reimbursement would have been established.

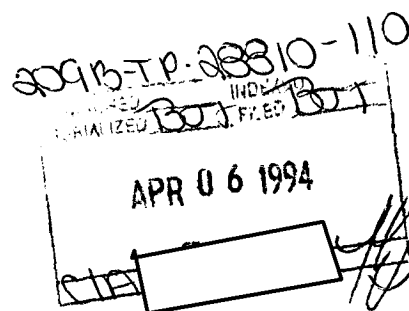
b6
b7C

209B-28810
CFB:rp

The following investigation was conducted by Special Agent (SA) [REDACTED] on March 22, 1994.

b6
b7C

[REDACTED] FEDERAL BUREAU OF INVESTIGATION, Headquarters (FBIHQ), extension 3223, advised that she is in receipt of a computer backup tape for STRAIGHT, INCORPORATED, however, she has been unable to address this assignment. [REDACTED] advised that it would be sometime in the future where the computer data could be retrieved.



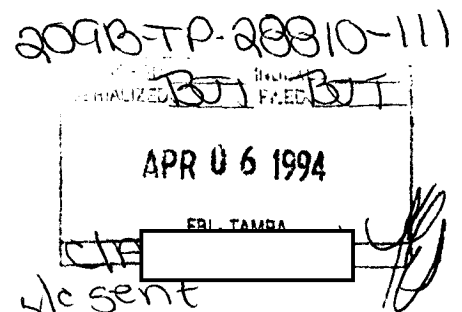
b6
b7C

209B-28810
CFB:rp

The following investigation was conducted by Special
Agent (SA) [redacted] on March 22, 1994.

b6
b7C
b7D

[redacted]
[redacted] advised that
files for [redacted]
[redacted] cannot be retrieved or located at his financial
institution.



b6
b7C

209B-28810

CFB:rp

b6
b7C
b7D

The following investigation was conducted by Special Agent (SA) [redacted] in Clearwater, Florida on March 22, 1994.

A review of the STRAIGHT, INCORPORATED Board minutes from July 25, 1991 until July 23, 1993 was conducted. At no time is it reflected in these Board minutes that [redacted]

[redacted] From April 1, 1991 onward, the Board minutes notes reflect a continual problem with cash flow, payments to vendors, and problems with accounts receivable. In July 1993, a decision was made to close the Tampa Bay program due to the financial conditions of the program.

209B-TD-28810-112

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]

APR 6 1994

ST [redacted]

wlc sent

b6
b7C

Memorandum



To : SAC, TAMPA
(ATTN: SA [redacted])
Date 3/29/94

From : SA [redacted] ((209B-TP-28810)) (SQ.3) (P)

Subject: [redacted]

b6
b7C

STRAIGHT, INCORPORATED,
GANDY BOULVDARD, ST. PETERSBURG, FLORIDA;
FBW - INSURANCE;
OO:TP

Reference Tampa airtel to Atlanta, dated June 25, 1993.

Enclosed for Pinellas RA are the following:

b6
b7C

- * Original and one copy of FD-302 on [redacted]
- * 1A envelope containing original notes of interview with [redacted]
- * 1A envelope containing original documents pertaining to STRAIGHT obtained from [redacted]
- * Original and one copy of insert on [redacted]
- * 1A envelope containing original notes from telephonic discussion with [redacted]
- * Original and one copy of insert on [redacted]
- * 1A envelope containing original notes from telephonic discussion with [redacted]
- * Original and one copy of insert on [redacted]
- * 1A envelope containing original notes from telephonic discussion with [redacted]
- * Original and one copy of insert on [redacted]
- * 1A envelope containing original notes from telephonic discussion with [redacted]

(3) - Tampa
(2 - PRA Encs. 13)

RR0:rro
(3)

209B-TP-28810-113
SEARCHED BT BT
SERIALIZED BT
INDEXED BT
FILED BT
APR 1 1994
FBI - TAMPA
wlc sent

b6
b7C

209B-TP-28810

The FD-302 and all of the inserts will reveal that the individuals that were contacted as requested did not have any information concerning insurance coverage for the services provided by STRAIGHT since their carriers would not cover these services.

In view that all investigation has been completed in Hillsborough and Hernando counties, Squad 3 considers all leads convered.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 04-07-94

[redacted] was interviewed at the Dallas office of the Federal Bureau of Investigation (FBI), 1801 North Lamar, Dallas, Texas. After being advised of the identity of the interviewing agent [redacted] was informed that the interview pertained to his son's treatment at STRAIGHT, INCORPORATED. [redacted] provided the following information:

b6
b7C

[redacted] became involved with STRAIGHT after discussing his son's substance abuse problem with [redacted] a friend in [redacted] whose son had experienced the same problem. [redacted] recommended STRAIGHT because his son [redacted] had successfully undergone treatment in the STRAIGHT program [redacted] was actively involved with STRAIGHT, but was not on the STRAIGHT payroll. In [redacted] had an intervention for his son [redacted] in which [redacted] participated. That same day, [redacted] drove his son to Irving, Texas to be admitted into the STRAIGHT program.

b6
b7C

[redacted] was admitted in [redacted] removed him from the program in [redacted] During the time [redacted] was a patient at STRAIGHT [redacted] was not informed which physicians or counsellors worked with his son [redacted] was also not told what type of treatment or care his son received. Because of his friend's success with STRAIGHT [redacted] was confident in the program, and therefore, did not ask questions regarding his son's treatment. By July, [redacted] had grown disenchanted with STRAIGHT, and subsequently pulled his son from the program.

b6
b7C

On the day [redacted] admitted his son [redacted] paid a fee of approximately \$4,000.00 to STRAIGHT. It was [redacted] understanding that the \$4,000.00 fee covered the cost of admission and initial drug testing; however [redacted] did not receive a break-down of the charges covered by the fee.

b6
b7C

In addition to the \$4,000 fee, [redacted] made a monthly payment to cover his 20 percent share of the STRAIGHT bill.

Investigation on 04-07-94 at Dallas, Texas File # 209B-TP-28810

by SA [redacted] /vlm Date dictated 04-07-94

b6
b7C

209B-TP-28810-114

SEARCHED	INDEXED
SERIALIZED	FILED
APR 12 1994	
FBI - TAMPA	
CTA	[Redacted]

wlc sent

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 04-07-94, Page 2

[REDACTED] did not receive a statement from STRAIGHT because the amount was a set, pre-determined amount [REDACTED] also paid a fee of \$70.00 per week to cover the costs incurred by the host families who housed the patients. [REDACTED] went to STRAIGHT each Friday to leave a check for the host home fee, but he did not receive a statement.

b6
b7C

[REDACTED] insurance coverage was provided by TEAMSTERS which paid 80 percent of the STRAIGHT charges [REDACTED] received a monthly profile statement from TEAMSTERS regarding his son's treatment; however [REDACTED] does not believe the profile broke down the charges incurred at STRAIGHT [REDACTED] provided the following contact numbers for TEAMSTERS: 800/323-5000, 800/323-2190. [REDACTED] could not provide a name of a representative at TEAMSTERS because he never contacted them regarding payments made to STRAIGHT.

b6
b7C

[REDACTED] did not receive the results of any tests provided by STRAIGHT. [REDACTED] received a bill from a physician for the drug testing; however, it was [REDACTED] understanding that this service was covered in the \$4,000.00 admission fee. [REDACTED] sent a letter to the physician advising him to collect the fee for drug testing directly from STRAIGHT. [REDACTED] was required to pay \$4,000.00 upon admission, not \$600.00, and he was not informed of what was covered by the admission fee.

b6
b7C

When [REDACTED] was admitted to STRAIGHT [REDACTED] was notified that patients lived in host family homes. [REDACTED] understood that STRAIGHT expected the parents to participate as host families; however [REDACTED] lived too far away in [REDACTED] to participate. [REDACTED] was informed that the \$70.00 fee he paid weekly was given to the host family; however [REDACTED] learned from other parents that some host families were paid on an erratic basis or were not paid at all [REDACTED] did not know if STRAIGHT billed TEAMSTERS for room and board [REDACTED] did not recall seeing charges for room and board on the profile statement; however [REDACTED] did not think the statements had an itemized list of charges from STRAIGHT.

b6
b7C

When [REDACTED] took his son out of STRAIGHT in [REDACTED] [REDACTED] had a credit balance of \$1,500.00 at STRAIGHT. [REDACTED] did not receive a refund of any money from STRAIGHT, not even the \$1,500.00 that had been prepaid.

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 04-07-94, Page 3

b6
b7C

[REDACTED] was not informed of any scholarship or government funding programs. STRAIGHT did offer to finance the \$4,000.00 admission fee; however [REDACTED] obtained the money through a loan at his own bank.

[REDACTED] did not interact with STRAIGHT facilities in St. Petersburg, Florida or any other location. [REDACTED] contact with STRAIGHT was limited to the Irving facility. [REDACTED] could only recall the name of [REDACTED] at STRAIGHT in Irving. [REDACTED] met with [REDACTED] and admitted his son on the day [REDACTED] presented [REDACTED] for treatment. One of [REDACTED] major complaints with STRAIGHT was the procedure for contacting STRAIGHT with regards to getting information or voicing a complaint. Parents were required to put the request or complaint in a letter and leave the letter in a designated mail slot at STRAIGHT. The parents were informed that the staff would respond to each letter; however, sometimes it took months to receive a reply from the STRAIGHT staff.

b6
b7C

[REDACTED] could not recall the names of other parents or patients at STRAIGHT. [REDACTED] does not know if he or his wife [REDACTED] kept any of the records related to his son's treatment at STRAIGHT; however, he will look through his records to see if he could find any pertinent information, including the insurance profile statements and billing records. [REDACTED] advised he would send any pertinent items to the FBI, Dallas Office.

b6
b7C

[REDACTED] provided the following identifying information:

Name:
Race/Sex:
Date of birth:
Social security number:
Address:

[REDACTED]
White, male

Telephone number:
Employer:
Work telephone number:

b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 4/7/94

TO : SAC, TAMPA (PRA) (209B-TP-28810)
 FROM : SAC, DALLAS (209B-TP-28810) (WCC3) (P)
 SUBJECT :
 ET AL;
 FBW - INSURANCE;
 OO: TAMPA

Re: Tampa airtel to Atlanta, dated November 10, 1993, Tampa airtel to Dallas, dated December 8, 1993, and Dallas airtel to Tampa, dated March 11, 1994.

Enclosed for Tampa are the original and two (2) copies of an FD-302 reflecting the interview of and one (1) 1-A envelope containing the original interview notes of

could not recall names nor remember specifics regarding bills from STRAIGHT, INC. does not know if he kept any records related to his son's treatment; however, he will look for any documents, including insurance statements, and will send them to Dallas. Any items received from will be forwarded to TAMPA upon receipt.

3 - Tampa (Encl. 4) *Cr*
 2 - Dallas
 VLM/vm
 (5)

Approved: *[Signature]*

Transmitted

(Number) (Time)

Per

APR 12 1994

FBI - TAMPA

209B-TP-28810-115

SEARCHED INDEXED
 SERIALIZED FILED

b6
b7Cb6
b7Cb6
b7Cb6
b7C

Memorandum



To : SAC, TAMPA (209-TP-28810) (PRA) (P) Date 4/7/94

From : SA [redacted]

Subject: [redacted]

ET AL;
STRAIGHT INCORPORATED,
ST. PETERSBURG, FLORIDA;
FBW - INSURANCE;
OO: TAMPA

The purpose of this memo is to update file.

AUSA [redacted] advised SA [redacted] he had learned that

[redacted]
[redacted] advised she had in
her possession financial records and documents [redacted]
[redacted]

On March 29, 1994, AUSA [redacted] and SA [redacted] met with

[redacted]
in [redacted] STRAIGHT was a profitable enterprise. [redacted]
[redacted]

[redacted]
[redacted]
[redacted]

[redacted] also suggested that [redacted]
[redacted]
[redacted] be contacted regarding
her knowledge of STRAIGHT.

[redacted] advised SA [redacted] that she had approximately
[redacted] which are currently
in storage at another location. [redacted] agreed to obtain these
files and make them available for review by SA [redacted]

②-Tampa
CFB:lm
(2) [signature]

209B-TP-28810-116

APR 07 1994

W/ sent

b6
b7C

b6
b7C
b7D

b6
b7C
b7D

b6
b7C
b7D

b6
b7C
b7D

b6
b7C
b7D

b6
b7C

209-TP-28810

LEAD:

TAMPA DIVISION

AT [REDACTED]

Re-contact [REDACTED]
to schedule date for review of documentation; interview [REDACTED]
[REDACTED] and make contact with [REDACTED] at
[REDACTED]

b6
b7C
b7D

1*

On March 4, 1994, SA [] conducted the following investigation:

[] residing at [] telephone number [] was telephonically contacted in order to set up an interview to discuss her family's involvement with STRAIGHT, INCORPORATED (STRAIGHT), and their insurance carrier's coverage of the treatment provided by STRAIGHT to their child [] stated that she and her husband [] admitted their son to STRAIGHT in [] stated that she thinks that her son was in the program for seventeen months [] stated that she recalls that their insurance paid for their son as an out-patient for part of the expenses, and they paid \$400.00 per month. [] stated that she could not recall who their insurance carrier was at the time of their son's treatment, nor could she recall how long her son was treated by STRAIGHT.

[] stated that the STRAIGHT program "brainwashed" the parents of the children who were being treated [] stated that the STRAIGHT personnel told the parents that their children would "die out in the streets" if they did not complete the program [] stated that she had a breakdown when her son was going through the program and had to be admitted to a hospital.

[] stated that she recalls talking to [] at STRAIGHT's headquarters facility in St. Petersburg, FL [] stated that she does not know the educational background of [] stated that it is her understanding that none of the STRAIGHT employees had degrees in psychiatry or social work; they were people who had been through the program.

[] stated that she believes that STRAIGHT had adolescents in the program who did not need to be there, but STRAIGHT had convinced the parents to put them into the program.

[] stated that she saw a list of people's names who had given donations to STRAIGHT, but the STRAIGHT personnel told her and her husband that they were going broke.

[] stated that she would obtain the insurance information from her husband and get back to the interviewing agent. After several attempts by the interviewing agent to obtain the insurance information from [] stated that the documents in their possession did not contain any information concerning insurance.

209B-TP-28810-117

SEARCHED	INDEXED
SERIALIZED	FILED
APR 15 1994	
CTA []	

1*

On March 8, 1994, SA [] conducted the following investigation:

[] residing at [] telephone number [] was telephonically contacted in order to set up an interview to discuss her family's involvement with STRAIGHT INCORPORATED (STRAIGHT), and their insurance carrier's coverage of the treatment provided by STRAIGHT to their child [] stated that she has no insurance records pertaining to her son's [] treatment at STRAIGHT because she and her family have moved twice since that time. [] stated that her son was admitted to STRAIGHT in [] stated that she could not recall how long her son stayed in the STRAIGHT program [] stated that she thinks that her family's insurance carrier in [] was AETNA [] SIPLES stated that she recalls paying \$1,000.00 upfront on her credit card for her son to receive a physical and/or blood test set up by STRAIGHT, and AETNA covered approximately \$2,000.00 of the costs.

[] stated that while her son was being treated at STRAIGHT, she requested some medical information from STRAIGHT that she never received. [] stated she believes her insurance carrier was double billed.

When asked by the interviewing agent if she was informed of any scholarship or government funding programs, [] stated that the STRAIGHT personnel may have mentioned a scholarship during their son's "intake", but she cannot recall any specifics because it was an emotional time. [] stated that STRAIGHT took advantage of the parents when they were stressed over their children's problems. [] stated that there were parents who mortgaged their homes and sold personal possessions in order to keep their children in STRAIGHT.

[] stated that she pulled her son out of STRAIGHT, because she saw that they allowed for the adolescents' clothes to be ripped, and because she recalls that people from STRAIGHT spit in his face. [] stated that she did not like their method of treatments.

[] stated that the one person from STRAIGHT's headquarters in St. Petersburg, FL, that she had contact with was []

209B-TP-28810-118

SEARCHED	INDEXED
SERIALIZED	FILED
APR 15 1994	
[]	

cha

1*

On March 14, 1994, SA [redacted] conducted the following investigation:

b6
b7c

[redacted] residing at [redacted]
[redacted] telephone number [redacted]
was telephonically contacted in order to set up an interview to discuss her family's involvement with STRAIGHT INCORPORATED (STRAIGHT), and their insurance carrier's coverage of the treatment provided by STRAIGHT to their child [redacted] stated that her daughter was admitted to STRAIGHT over four years ago. [redacted] stated that her insurance did not cover the services provided by STRAIGHT. During the first telephone conversation [redacted] stated that her insurance was with FEDERATED, but on March 15, 1994 [redacted] telephonically contacted the interviewing agent and advised that her insurance carrier was ADJUSTCO.

209B-TP-28810-119

SEARCHED	INDEXED
SERIALIZED	FILED
APR 15 1994	

CTE [redacted] [signature]

b6
b7c

1*

On March 28, 1994, SA [] conducted the following investigation:

b6
b7C

[] residing at []
[] telephone number [] was telephonically contacted in order to set up an interview to discuss her family's involvement with STRAIGHT INCORPORATED (STRAIGHT), and their insurance carrier's coverage of the treatment provided by STRAIGHT to their child [] stated that she does not think their insurance company, CONNECTICUT GENERAL, paid for the treatment received by their son.

[] stated that she thinks their son was in the STRAIGHT program for four months until her ex-husband removed him. [] stated that she recalls paying STRAIGHT \$1,000.00 for their services and wanted her ex-husband to pay for the rest, which she thinks was another \$1,000.00.

b6
b7C

209B-TP-28810-120

SEARCHED	INDEXED
SERIALIZED	FILED
APR 15 1994	
CTA	[]

b6
b7C

PR 209B-TP-28810
RRO:rro

1*

On March 15, 1994, SA [] conducted the following investigation:

b6
b7C

[] working at []
[] telephone number [] and home telephone number [] was telephonically contacted in order to set up an interview to discuss his family's involvement with STRAIGHT INCORPORATED (STRAIGHT), and their insurance carrier's coverage of the treatment provided by STRAIGHT to their child. [] stated that it was his ex-wife [] who placed their son in STRAIGHT's program four or five years ago while he was out of town. [] stated that he does not think the insurance company covered any of the expenses. [] stated that his son was "rescued" from STRAIGHT after two or three weeks. []

[] stated that the interviewing agent could contact [] to confirm how STRAIGHT was paid for its services at telephone number []

b6
b7C

On March 16, 1994, [] telephonically contacted the interviewing agent and advised that the insurance company used by [] at the time of their son's STRAIGHT treatment was CONNECTICUT GENERAL, policy number []

209B-TP-28810-121

SEARCHED	INDEXED
SERIALIZED	FILED
APR 15 1994	
[]	

etc []

b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/14/94b6
b7C

[redacted] white female, date of birth [redacted]
[redacted] Social Security Account Number [redacted]
[redacted] place of birth [redacted] residing at [redacted]
[redacted] telephone number [redacted]
[redacted] was advised of the identity of the interviewing agent and
the nature of the interview. She then provided the following
information:

b6
b7C

[redacted] stated that she became aware of STRAIGHT,
INCORPORATED (STRAIGHT) from a friend of the family [redacted]
[redacted] stated that [redacted] knew someone who
had gone to STRAIGHT. [redacted] stated that her older son,
[redacted] was [redacted] years old at the time, and had a bad
behavior problem. [redacted] stated that her son did not have a
drug problem. [redacted] also stated that her son drank beer,
but he did not have a drinking problem.

[redacted] stated that when she admitted her oldest
son to STRAIGHT, she was under extreme duress. [redacted]
stated that her older son was "out of control" and had a "bad
temper". [redacted] stated that before her older son went to
STRAIGHT [redacted]

b6
b7C

[redacted] stated that she thinks that her older son
went into STRAIGHT in [redacted] three to six weeks after
[redacted] stated that two weeks
after her older son entered STRAIGHT, STRAIGHT convinced her to
admit her younger son [redacted]

b6
b7C

[redacted] stated that she owes STRAIGHT approximately
\$8,000.00 for treatment provided to her younger son. [redacted]
stated that because of this debt her credit has been ruined.

b6
b7C

When asked by the interviewing agent about the accuracy
of the services rendered by STRAIGHT [redacted] stated that her

b6
b7C

Investigation on 3/7/94 at Tampa, Florida File # 209B-TP-28810
by SA [redacted]:rro Date dictated 3/14/94

20913-TP-20310-122

SEARCHED	INDEXED
SERIALIZED	FILED
APR 15 1994	
<div data-bbox="1090 300 1321 392" style="border: 1px solid black; width: 145px; height: 44px;"></div>	

b6
b7C

209B-TP-28810

Continuation of FD-302 of _____

, On 3/7/94 , Page 2

two sons benefited from their program, but STRAIGHT "scared them to death." [] stated that her younger son experienced "alot of trauma" at STRAIGHT. When asked by the interviewing agent what she meant by "scared to death" and "alot of trauma", [] stated that the interviewing agent would have to talk to her sons for specific information, but she was told by them that there was "physical violence" going on at the facility. [] stated, however, that she believes that STRAIGHT did not render services that were worth what they charged. [] stated that STRAIGHT was just a warehouse where the counselors met with the adolescents from 8:00 A.M. until 6:00 P.M., and the adolescents were never allowed outdoors during this time period. [] stated that she recalls that STRAIGHT's program involved a lot of group therapy [] stated STRAIGHT did not keep its patients overnight; its program involved the adolescents staying over each others homes. [] stated that she questions the qualifications of the STRAIGHT staff, because the teamleaders for the group therapy were not professionals; they were just adolescents who had advanced through the program. [] also stated that there was a big turnover with the teamleaders.

[] stated that she does not have any insurance documents or any other pertinent insurance information to provide the interviewing agent, because her ex-husband's insurance carrier, AETNA or HUMANA [] cannot recall which insurance company it was for sure.) [] would not cover the services provided by STRAIGHT because it believed STRAIGHT's services were not medically necessary. [] stated that she recalls that she was told that STRAIGHT's services would cost approximately \$30.00 per day [] also stated that she recalls being told that if she did not have insurance the cost of the services would be cut in half [] stated that she believes that STRAIGHT over charged her for their services.

[] provided the interviewing agent with a letter from STRAIGHT's Collections Officer [] dated August 2, 1990, which provides detailed information of STRAIGHT's charges for her sons' treatment [] stated that she believes that STRAIGHT's itemization of services rendered was very vague, which is reflected on this August 2, 1990 letter [] stated that she does not remember what the STRAIGHT personnel originally told her about fees, because she was "so out of it." [] stated that she "would have signed anything" at that

b6
b7cb6
b7c

209B-TP-28810

Continuation of FD-302 of _____

, On 3/7/94 , Page 3

b6
b7C

particular time in her life _____ stated that her mother, _____ assisted her with the STRAIGHT expenses.

_____ stated that she recalls that her ex-husband's insurance carrier paid the incurred expenses when her younger son got hurt while he was at the STRAIGHT facility.

_____ stated that she was not informed of any scholarship or government funding programs.

b6
b7C

_____ stated that she had contact with the headquarters facility in St. Petersburg, FL. _____ stated that her contact at STRAIGHT was _____. _____ stated that _____ came to her house and checked it out to see if it was suitable for the adolescents to stay there overnight.

_____ stated that she recalled that when STRAIGHT sued her, _____ appeared on behalf of STRAIGHT and said that _____ signed a STRAIGHT contract committing to pay for STRAIGHT's services. _____ stated that she also recalls talking to a counselor named _____ Last Name Unknown (LNU). _____ also stated that she remembers meeting _____.

_____ stated that _____ talked to all the parents when they brought their children to the facility. _____ stated that _____ was a "smooth marketer" and a "straight-laced" individual. _____ stated that she thinks _____ was the owner of STRAIGHT.

b6
b7C

_____ stated that there was a judgement filed against her by STRAIGHT, because she did not pay all the money that STRAIGHT claimed she owed. _____ stated that the only reason STRAIGHT stopped trying to sue her was because STRAIGHT went out of business.

_____ provided the interviewing agent with the following documents concerning her younger son: 1. STRAIGHT Tampa Bay Physical, 2. Admission Medical History, 3. Psychiatric Evaluation, 4. Biopsychosocial, and 5. Discharge Summary.

b6
b7C

_____ stated that she cannot find these same documents for her older son.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/7/94

[redacted] white female. Date of Birth (DOB) [redacted]
[redacted] place of employment [redacted]
[redacted] was advised of the identity of the
interviewing Agent and the purpose for the interview. Also
present was Attorney [redacted] thereafter provided
the following information:

[redacted] advised that she has been employed with [redacted]
[redacted] had limited
involvement with STRAIGHT, INCORPORATED (STRAIGHT) and was only
associated with them as [redacted]
[redacted] did attend the
Board of Directors meeting for STRAIGHT, in view of the fact the
operation of STRAIGHT was to be terminated.

During the shut-down phases of STRAIGHT [redacted]
[redacted] to STRAIGHT to review the activities at the
facility. During one of these trips [redacted] inquired of
[redacted] what was to happen regarding the files.
[redacted] advised she did not visibly see the records, although they
observed the cabinets that supposedly contained these files. The
date of the visit was [redacted]

[redacted] informed [redacted] she had attempted to place these files with
the Department of Human Resources in Florida; however, they
refused to accept custody. Because of the medical information
contained in the documents [redacted] advised she would
personally have to review the files before their disposal. There
was no other discussion regarding destruction of files or the
business records. At this time, the interview with [redacted] was
concluded.

009B-TP-28810-124

SEARCHED BT BT

APR 6 7 1994

We sent

C-1A

Investigation on 3/31/94 at St. Petersburg, FL File # 209-TP-28810by SA [redacted] lm Date dictated 4/1/94

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/15/94

[redacted]
[redacted] telephone number [redacted] were interviewed at their residence [redacted] who had previously been advised of the nature of the interview, were advised of the identity of the interviewing agent prior to being interviewed. They provided the following information:

[redacted]
[redacted] son, [redacted] white male, date of birth [redacted] is presently residing in the home.

[redacted] became involved with STRAIGHT, INC., as a result of a self-help group called TOUGH LOVE they were involved with as a result of severe problems they were having with their son. [redacted] became involved with TOUGH LOVE sometime in [redacted] and had STRAIGHT, INC. recommended to them as a program which had a promising success rate. The program at STRAIGHT, INC. (SI) was pursued based upon other parent's recommendations.

[redacted] became involved with SI in approximately [redacted] as a result of his cocaine addiction. He was a patient of SI until approximately [redacted] a period of 21 months.

[redacted] advised that his understanding of the program was that his son would be working with a peer group who would help him deal with his emotions, that parents were expected to participate in the program at SI regardless of their distance from the program and that SI's program was a long term 12 step program. He also knew that there would be no visiting privileges with his son until [redacted] reached a certain phase of treatment. [redacted] advised that SI had trained counselors and he believed that there was one doctor of psychiatry on the staff at

Investigation on 3/8/94 at [redacted] 209B-TP-28810 (HRA)

by SA [redacted] :am Date dictated 3/10/94

20913-TP-23810-125

SEARCHED	INDEXED
SERIALIZED	FILED
APR 22 1994	
LEA	[Redacted]

w/sent

b6
b7C

209B-TP-28810 (HRA)

Continuation of FD-302 of [REDACTED]

, On 3/8/94 , Page 2

SI.

b6
b7C

The intake process at SI basically involved [REDACTED] speaking to a counselor and a peer group prior to his admittance. The counselor told [REDACTED] that [REDACTED] was definitely using drugs and should be admitted to the program at SI. [REDACTED] advised that the fees of SI were thoroughly explained to he and his wife. He is aware that there were some up front fees for [REDACTED] original admittance to SI, however, he could not recall exactly what these fees were for. He knows that after the initial fee that there was a monthly \$500 fee which was partially paid by his insurance company and partially paid by him. The [REDACTED] insurance company was the MUTUAL OF OMAHA INSURANCE COMPANY. [REDACTED] were insured under group number [REDACTED] and certificate number [REDACTED].

[REDACTED] could not recall if he and his wife received the results of any of [REDACTED] treatment, however, [REDACTED] advised she did recall receiving the results of some of [REDACTED] blood tests and perhaps some other reports. These reports were not available.

b6
b7C

[REDACTED] advised that as far as they were concerned their son was an in-patient at SI. [REDACTED] advised that his insurance company initially was not going to cover [REDACTED] treatment because they initially did not consider that SI's program was in-patient treatment. [REDACTED] advised that he communicated with his insurance company (see attached letter) and was able to get the MUTUAL OF OMAHA INSURANCE COMPANY (MOIC) to pay for [REDACTED] treatment. He advised that the MOIC was well aware that [REDACTED] was staying with other SI parents in the evening hours and that his treatment was actually occurring at SI. [REDACTED] advised that any insurance payments from the MOIC went directly to SI. [REDACTED] did not expect any money to be returned to them from SI.

b6
b7C

[REDACTED] never dealt with anyone from SI's facilities in Florida. They did deal with individuals from the Springfield, Virginia office, however, they could not recall the names of these individuals. [REDACTED] advised that the various parents who had sons or daughters attending SI were required to make many meetings throughout the course of their child's stay at SI. During almost all of these meetings there were discussions among parents as to how their child's stay at SI would be funded. [REDACTED]

b6
b7C

209B-TP-28810 (HRA)

Continuation of FD-302 of [REDACTED]

, On 3/8/94 , Page 3

explained that many of the parents had financial difficulties in that SI's treatment was expensive. All of the parents looked for as many options as they could in paying for the services their sons or daughters were receiving and there may have been some discussions regarding government funding which could be available to help defray some of the costs of treatment at SI. [REDACTED] did not receive any money from any government agency for their son's treatment.

[REDACTED] was asked about the \$600 payment required of them upon the admission of their son to SI. She could not recall what this payment was specifically for. [REDACTED] advised she supported SI's program for the majority of the time their son attended the facility. In retrospect she believes there were things that were done there that affected [REDACTED] in a negative way. [REDACTED] advised he was happy with the treatment their son received at SI.

[REDACTED] advised that SI had a sensitivity to the financial problems of its clients and worked with parents in allowing them to make payments on their account. [REDACTED] advised that when his son left SI he still owed a substantial amount of money to them. Prior to this time [REDACTED] was able to have an advertisement placed for SI in a secondary telephone book published in [REDACTED] area. As a result of these ads [REDACTED] asked SI if they could forgive some of the obligation he owed them. As a result SI forgave \$900 of his outstanding balance.

[REDACTED] explained that one of the items that irritated her regarding SI was the fact that they were always having fund raising activities that parents were required to participate in. This included Christmas tree sales, candy sales, wrapping paper sales and fruit sales. The parents found out that this money was going to St. Petersburg, Florida and not to the facility that their son was at. Many parents were angry about this fact.

[REDACTED] did not have any list which would contain individuals who had their children attend SI. [REDACTED] did list several names of individuals who had children at SI. These names follow:

[REDACTED]

209B-TP-28810 (HRA)

Continuation of FD-302 of

[Redacted]

, On 3/8/94 , Page 4

[Redacted]

b6
b7C

It is [Redacted] belief that none of these individuals had insurance coverage for their childrens stay at SI. In addition, [Redacted] and it is his belief that they would not be the best individuals to interview regarding any treatment their son may have received at SI.

[Redacted] provided billing information from his files as they pertain to his son's stay at SI. He advised that if any other information is needed by the FBI that he will attempt to assist in any way that he can.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/30/94b6
b7C

[redacted]
[redacted] was interviewed at the Harrisburg Resident Agency. [redacted] who knew the purpose of the interview, was advised of the identity of the interviewing agent prior to being interviewed. He provided the following information:

[redacted] is a white male who provided his date of birth as [redacted] and his SSAN as [redacted]. He has a home telephone number of [redacted].

b6
b7C

[redacted] is married to [redacted] white female, date of birth [redacted].

[redacted] son is [redacted] white male, date of birth [redacted] is residing at home.

[redacted] started off the interview by indicating he did not have any paperwork from STRAIGHT, INC. (SI), available to him. He stated that there is paperwork, however it is in the possession of [redacted] an attorney located in Fairfax, Virginia. [redacted] has attempted to obtain this paperwork back from [redacted] however [redacted] has been uncooperative in that he never returns [redacted] telephone calls or acknowledges [redacted] attempts to contact him.

b6
b7C

[redacted] is an individual who had a son in the program offered by SI. [redacted] who lives in [redacted] has conducted an extensive investigation regarding SI. It is believed that the FBI has already contacted [redacted] at some point in the past.

b6
b7C

[redacted] first came into contact with SI sometime prior to [redacted]. Around this period of time [redacted] who was [redacted] years of age at the time, was heavily into drugs and guns. The family tried to help their son by involving themselves with an organization called TOUGH LOVE, however after three or four months with TOUGH LOVE [redacted] was still out of control.

Investigation on 3/22/94 at Harrisburg, Pennsylvania File # 209B-TP-28810(HRA)

by SA [redacted] am _____ Date dictated 3/23/94

b6
b7C

209B-TP 00010-126

SEARCHED INDEXED
SERIALIZED But FILED But

APR 22 1994

CTA

wk sent

b6
b7c

2096B-TP-28810 (HRA)

Continuation of FD-302 of [REDACTED]

, On 3/22/94 , Page 2

[REDACTED] advised he was very desperate to find help for his son in that he felt his son would not make it past his teenage years unless he received a substantial amount of help. [REDACTED] advised he had considered having an organization located in Utah kidnap his son in order to provide treatment for him; however, after this outfit was checked out he decided against this tactic. The family first heard about SI from [REDACTED] counselor. This individual, whose name is unknown, mentioned this organization to [REDACTED]. Subsequent to this initial referral an individual from Hershey, Pennsylvania contacted the [REDACTED] and subsequently put them in touch with [REDACTED] another parent who had a son at SI.

[REDACTED] visited SI's facility in [REDACTED] [REDACTED] but were initially unable to take their son on this visit as their son had run away and could not be found. After deciding to have their son attend SI [REDACTED] had to literally locate and kidnap their son in order to transport him to SI's facility in Springfield, Virginia. The admittance procedure involved taking [REDACTED] into an intake interview situation and taking the parents into another room. After the initial interview with [REDACTED] were told [REDACTED] needed help and that \$7,000 was needed in order to admit him to SI's program. [REDACTED] remembers that \$1,000 of the \$7,000 fee included two months treatment for [REDACTED]. Other portions of this money were to go toward a psychological evaluation, a physical evaluation and other testing. [REDACTED] advised this testing apparently never happened. In addition, [REDACTED] never saw a psychiatrist while he was at SI except that on the last day he did see a psychiatrist.

[REDACTED] advised he was charged for at least 30 doctors visits he does not feel ever occurred. He explained that two doctors would come to SI's facility for a few hours and that they would subsequently bill all of the hundreds of parents who had children at SI's facility.

Another complaint [REDACTED] had with SI's program was that the parents who had children at SI had to do everything that he assumed a legitimate program would naturally do. The parents had to bring food to the Monday and Friday meetings of SI and were also required to have all kinds of fund raising events which would raise money for SI. Ultimately, this money went to SI's

b6
b7Cb6
b7Cb6
b7C

2096B-TP-28810 (HRA)

Continuation of FD-302 of [REDACTED]

, On 3/22/94, Page 3

b6
b7C

facility in Florida rather than helping the kids who were enrolled in SI's program.

[REDACTED] stayed at a host home and not at SI's facility. [REDACTED] advised he initially thought his son was staying on the premises where SI's facility was located, however, he subsequently found out that this was not the case. Although some of the host homes were run by parents, several of the homes were run by several of the older children enrolled at SI. [REDACTED] advised that one of these homes was located at [REDACTED] Apartment Complex. The older children acted as enforcers in this home. The home was where any child who did not fall in line with SI's program was sent. These children were subsequently spat upon, and put in closets by these older children. The children being disciplined were physically and mentally abused to such a degree that they would admit to things that they did not do. The older children would then use this information to blackmail these individuals.

b6
b7C

[REDACTED] attended SI from [REDACTED] until [REDACTED]. [REDACTED] advised that he took his son to a psychiatrist after checking him out of SI's program and that psychiatrist advised [REDACTED] to keep his son away from SI.

[REDACTED] believes that the monthly fee at SI was \$500 or \$600 per month. The rates were different for residents and non-residents, however, there was not that much of a difference in the price. Bills were sent by SI to [REDACTED] insurance company, Blue Cross and Blue Shield of Central Pennsylvania. [REDACTED] noted that after his son was checked out of SI's program they owed \$600 to SI. SI submitted a bill to [REDACTED] Blue Cross and subsequently received a \$2,500 reimbursement from Blue Cross and Blue Shield. None of this money was sent back to Blue Cross and Blue Shield or to [REDACTED] despite [REDACTED] attempts to have this done. [REDACTED] advised he was told by an unknown individual that the money received by SI had to be provided to SI's facility in Florida.

b6
b7C

Capital Blue Cross and Blue Shield did not know [REDACTED] stayed at a host home. [REDACTED] does not know of a contact person for Blue Cross and Blue Shield.

[REDACTED] does not know if Blue Cross and Blue Shield was billed for room and board services for [REDACTED]. The

b6
b7C

2096B-TP-28810 (HRA)

Continuation of FD-302 of [REDACTED]

, On 3/22/94, Page 4

[REDACTED] never had any money refunded to them from SI. With regard to Government funding, [REDACTED] advised that the parents did discuss Government funding for SI's services on numerous occasions. Representatives of SI, who answered questions for the parents group after each meeting, told the parents that this was not a viable option. [REDACTED] believed this type of funding was not pursued because the Federal Government would then have partial control of SI's program. [REDACTED] advised he is not aware of any government funding received by any parents; including his family.

[REDACTED] advised he never met anyone from SI's Florida facility. He also indicated that he never met the person who was in charge of SI's facility in Springfield, Virginia.

[REDACTED] advised that there were many individuals in the Central, Pennsylvania area who had children attending SI's facility in Springfield, Virginia. He advised he did not have a list available for the FBI.

[REDACTED] could not provide any further information regarding SI. He advised that he would be willing to assist the FBI in its investigation of SI should any further information be required of him.

b6
b7Cb6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/14/94b6
b7C

[redacted]
[redacted] was interviewed at her residence.
After being advised of the identity of the interviewing agent
[redacted] provided the following information:

b6
b7C

[redacted] is a white female who provided her date of
birth as [redacted] and her SSAN [redacted] She has a
home telephone number of [redacted] She advised that she is

[redacted]
[redacted] date of birth of [redacted]
son, [redacted] date of birth [redacted] is a
[redacted]

[redacted] advised that in [redacted] she and her husband first
began attending sessions of TOUGH LOVE a parental support group
for parents who were having problems with their children. The
[redacted] attended TOUGH LOVE for a period of three to five
months due to the various behavior, drug and alcohol problems
their son was having. [redacted] first learned about STRAIGHT
INCORPORATED (SI), from a TOUGH LOVE parent whose name she could
not recall. [redacted] and a friend [redacted] subsequently
traveled to [redacted] to speak with a representative
of SI whose name [redacted] could not recall. After this meeting
[redacted] and her husband spoke and decided to enroll their son at
SI. This was in [redacted]

b6
b7C

[redacted] advised that prior to his admittance at SI her
son was [redacted]
[redacted] was taken to SI's
facility by [redacted]

b6
b7C

The intake process at SI involved a group meeting with
[redacted] his parents and SI personnel. [redacted]
believed that there was also a separate interview with [redacted]
[redacted] and a representative of SI.

Investigation on 4/12/94 at [redacted] File # 209B-TP-28810(HRA)

b6
b7C

by SA [redacted] am [redacted] Date dictated 4/12/94

0910-TP-00810-127

SEARCHED INDEXED
SERIALIZED BT FILED BT

APR 22 1994

CIA

Wlc sent

b6
b7C

209B-TP-28810 (HRA)

Continuation of FD-302 of

, On 4/12/94

, Page 2

b6
b7C

[redacted] was a patient of SI from [redacted] until sometime in [redacted] stated that she actually did not know the treatment her son received while a patient at SI. She noted that according to individuals from SI there was some counseling provided to her son, however, she did not believe that her son dealt with any psychiatrist during the entire time he was a patient at SI. [redacted] believed her son had a physical prior to admittance at SI, however, she noted that she and her husband never received the results of any testing, psychological or physical, that may have been conducted on her son.

[redacted] paid \$6,526 to have their son admitted at SI. She produced check number 129 which was issued on her [redacted] account (account number [redacted] was unable to state how this \$6,526 was allocated by SI. She noted that she and her husband paid the entire amount of their son's stay at SI themselves due to the fact that the family's Blue Cross and Blue Shield coverage had already paid for a month stay at [redacted] and a subsequent one month stay at the [redacted] for their son.

b6
b7C

[redacted] and the other patients of SI stayed in parent's homes and not at SI's facility. She noted that she and her husband had to pay \$8 a day for housing their son at a parent's home. The family also was encouraged to bring groceries with them to various meetings they had to attend at SI. These groceries were to be divided up between the various SI parents who had children staying in their homes.

b6
b7C

[redacted] did not ever have any money refunded to them by SI, however, as noted previously, the family did not have any insurance coverage for their son's stay at SI.

b6
b7C

[redacted] indicated the names of several individuals who had children attending SI's program. These included [redacted] and [redacted] did not know where [redacted] resided.

[redacted] never spoke with anyone from SI's facility in Florida.

209B-TP-28810 (HRA)

Continuation of FD-302 of [REDACTED]

, On 4/12/94 , Page 3

b6
b7C

As an SI parent [REDACTED] were required to go to all Friday night meetings if at all possible. Those parents who lived far away from SI's facility were excused from the regular weekly meeting of SI.

[REDACTED] noted that she had to take a covered dish for supper for each of these meetings she attended. She and the other SI's parents then had to buy their individual dinners even though they all brought a covered dish.

The meetings attended by [REDACTED] involved a situation in which the parents were in an audience and the children were on a stage. The parents were unable to speak with their children until their children earned "talk time". If the child did not earn talk time then the parents would not be able to speak with their child. She noted that she and her husband did not get to speak with their son until at least late [REDACTED] or early [REDACTED]

b6
b7C

[REDACTED] advised that on several occasions she was required to rent a hotel room and take several of SI's patients from the group home they were staying at so that these parents were able to have a break from their responsibilities.

[REDACTED] believes that her son's daily "treatment" involved counseling sessions in which other children acted as peer counselors. She noted that her son did not go along with the program and never became a peer counselor.

b6
b7C

When asked why their son was withdrawn from SI's program she stated that in [REDACTED] [REDACTED] father spoke with his son and hinted to his son that the program was not going to be continued. [REDACTED] subsequently ran away from SI's facility and called his parents to come and get him.

After [REDACTED] left SI's program representatives of SI called and tried to get [REDACTED] to bring their son back to the facility. Representatives were irritated at the [REDACTED] for not bringing their son back to the program.

[REDACTED] produced an account statement which listed the various doctors on staff at SI (these matched other previously submitted documents from other interviews). Mrs.

209B-TP-28810 (HRA)

Continuation of FD-302 of

[REDACTED]

, On 4/12/94, Page 4

[REDACTED] stated that she and her husband paid a total of between \$25,000 and \$30,000 for their son to be a patient at SI. This amount includes all of [REDACTED] expenses, most of which went to SI.

[REDACTED] advised that she would cooperate with the FBI in any way that she could. Due to the fact that she and her husband did not have any insurance coverage for their son's stay at SI no documents were retrieved from [REDACTED]. She advised that she will maintain the documents that she has from SI in her possession. She noted that most of the documents are canceled checks.

b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 4/14/94

TO : SAC, TAMPA (209B-TP-28810)
 FROM : SAC, PHILADELPHIA (209B-TP-28810) (HRA) (RUC)
 SUBJECT :

b6
b7C

STRAIGHT, INC.;
 Gandy Boulevard,
 St. Petersburg, Florida;
 FBW-Insurance;
 OO: TAMPA

Re TP airtel to AT and other offices dated 11/10/93
 and PH airtel to TP dated 1/31/94.

Enclosed for TP are the following:

1. An original and two copies of a 3/10/94 FD-302
 pertaining to an interview of as well
 as a 1A envelope pertaining to that interview.
2. An original and two copies of an FD-302
 pertaining to the 3/22/94 interview of as well
 as a 1A envelope pertaining to that interview.
3. One packet of information containing billing
 information received from

b6
b7C

2-Tampa (Enc. *3 me*)
 1-Philadelphia (209B-TP-28810) (HRA)

GBL:am
 (3)

209B-TP-28810-128

SEARCHED	SERIALIZED	FILED
APR 21 1994		
		

b6
b7CApproved: *[Signature]*

Transmitted

(Number)

(Time)

w/ sent

209B-TP-28810

4. An original and two copies of a 4/12/94, FD-302 pertaining to an interview of [redacted] as well as a 1A envelope pertaining to that interview.

b6
b7C

For the information of TP the interviews of [redacted] were conducted as expeditiously as possible, however, the [redacted] interview and [redacted] interview was delayed due to the unavailability of these individuals for interview.

TP should note that [redacted] were the only individuals who had insurance paperwork available to them at the time of these interviews. Additionally, [redacted] did not have any insurance coverage for their son's stay at STRAIGHT INCORPORATED (SI).

In that all work with regard to this case in the Philadelphia Division has been completed, this case is being placed in an RUC status.

Date 4/5/94

☐ Birth ☐ Credit ☐ Criminal ☐ Death ☐ INS ☐ Marriage* ☐ Motor Vehicle ☒ Other DL photo

To IA Buded
Return to IA File number
209 B-TP-28810
Name and aliases of subject, applicant, or employee, and spouse

Addresses
Residence
Business
Former

Lead held
4/18/94
ab

*Date and place of marriage
(if applicable)

Race <u>W</u>	Sex <input checked="" type="checkbox"/> Male <input type="checkbox"/> Female	Age	Height	Weight	Hair	Eyes
------------------	--	-----	--------	--------	------	------

Birth date 	Birthplace
---	------------

Arrest Number	Fingerprint classification	Criminal specialty
---------------	----------------------------	--------------------

Social Security Number 	Drivers License Number <input checked="" type="checkbox"/> <u>D/L Photo</u> <input type="checkbox"/> Other
---	--

Specific information desired
please return DL photo to
Results of check

209 B-TP-28810-129

order 4/5
DONE 4-21-94
LEAD COVERED 4-18-94
ld assn in computer
CIA

BTBT BTBT
APR 1994
CIA N.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 04/06/94

On April 1, 1994, Special Agent (SA) [redacted] interviewed [redacted]. After being made aware of the identity of the interviewing Agent and the purpose of the interview, he voluntarily provided the following information:

b6
b7C

[redacted] advised that his position at STRAIGHT, INC., was [redacted]. His supervisor was [redacted]. At the beginning of his employment [redacted] made it clear to [redacted] that he is not the type of person who would ever fraudulently bill someone and if he was ever expected to he would quit. [redacted] indicated that he would never be asked to ever do that. [redacted] indicated that, to his knowledge, no fraudulent billing existed and he stated, "I assure you I have not done any fraudulent collecting."

[redacted] reported that all executives at STRAIGHT, INC., had corporate credit cards. [redacted] was not close enough to [redacted] to know if he was using his corporate credit card for personal use. [redacted] did not have a corporate credit card.

b6
b7C

[redacted] indicated that it became apparent that there was an inadequate cash flow to the company and the more junior employees were all asked to take a cut in pay. It never appeared that the executives took a cut. [redacted] stated that had he been aware of STRAIGHT, INC.'s financial situation when he first sought employment there, he would have never taken the job.

[redacted] was shown a photocopy of a memo dated December 17, 1991, [redacted] regarding "Negotiated Settlements", attached hereto and made a part of this FD-302. [redacted] could not recall the memo, but stated he very possibly could have seen it. After reviewing the memo, [redacted] identified [redacted] as [redacted] and [redacted] as [redacted] at STRAIGHT, INC. [redacted] stated that the memo referred to taking a reduced payment for accounts that had been past due for four to five years and were approaching the Statute of Limitation where STRAIGHT, INC., could

Investigation on 04/01/94 at West Palm Beach, Florida # 209B-TP-28810

by SA [redacted] PJS:cjr Date dictated 04/04/94

b6
b7C

80913-TP-28810-130

SEARCHED INDEXED
SERIALIZED FILED

APR 25 1994

CTA
wlc sent

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 04/01/94 , Page 2

no longer collect. By accepting, for example sixty percent of the total amount due in one payment and crediting the account paid in full rather than wait for small installments towards the amount due, they would increase the cash flow to the company. The phrase in the memo "make us all some good money, but especially STRAIGHT, INCORPORATED," referred to this increasing the cash flow and avoiding the Statute of Limitations running, making the accounts uncollectible. It did not mean personal gain.

[REDACTED] reported that families of patients at STRAIGHT, INC., became involved through several facilities around the country in Atlanta, Georgia, Michigan and St. Petersburg, Florida. The patients came to STRAIGHT, INC., from referrals and through the advertising. To the best of [REDACTED] knowledge, the patients did receive psychiatric and psychological counseling and were probably treated on an average of three to four months.

[REDACTED] indicated that all fees for services rendered were explained on a UB82 (insurance form) or an HCFA 1500 form. He could not state what the fees were, but insisted that the families of patients had the fees fully explained to them.

[REDACTED] could not comment on any services provided for the \$600 medical payment required upon admission. [REDACTED] was on the collecting end at the end of treatment and was not familiar with aspects of admission. As far as [REDACTED] knows, STRAIGHT, INC., refunded money to families of patients from their insurance reimbursements. [REDACTED] is not aware of any scholarships or government funding programs available to the families of the patients for treatment costs. [REDACTED] stated that families of patients would deal directly with STRAIGHT, INC. headquarters in St. Petersburg, Florida.

[REDACTED] indicated that he did nothing improper while employed at STRAIGHT, INC., and if necessary he would be available to testify at trial. [REDACTED] will be staying with [REDACTED] telephone number [REDACTED] until he moves to Florida permanently. His telephone number in [REDACTED] is [REDACTED].

209B-TP-28810

Continuation of FD-302 of

[Redacted]

, On 04/01/94, Page 3

b6
b7C

[Redacted] is described as follows by observation and interview:

Name:
Race:
Sex:
Height:
Weight:
Hair color:
Eye color:
Date of birth:
Place of birth:

[Redacted]

White
Male

[Redacted]

12-17-91

MEMORANDUM

TO: [REDACTED]

FM: [REDACTED]

RE: NEGOTIATED SETTLEMENTS.

b6
b7C

Using [REDACTED] as an example, [REDACTED] pays \$50 per month like a champ. At his current balance of \$7835.00 it will payoff in 156 month.. or (13) years.

It is important we somehow identify these "payment plans" previously established in each program but especially the washington program, so as to address these accounts and try to make them an offer they cannot refuse to 1) payoff Straight at a discount for cash or 2) double, triple or quadruple the payment each month to Straight at a reduced balance amount, to be determined in the negotiations.

I would suggest we can backtrack to discover those accounts who paid payments last month or the month(s) previous, run ledger histories on those accounts to identify those who "pay like a champ" and make contact with those people.

I recommend I handle/contact those in the wasington program, [REDACTED] in the FL programs for now, to see if the proposal does any good. If it does, we can expand on the idea and make us all some good money, but especially Straight, Inc.

100% COPY

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 4/12/94

TO : SAC, TAMPA (209B-TP-28810) (PRA) (P)
 FROM : SAC, MIAMI (209B-TP-28810) (PBCRA) (RUC)
 SUBJECT :

STRAIGHT INCORPORATION,
 GANDY BOULEVARD,
 ST. PETERSBURG, FLORIDA
 FBW - INSURANCE
 OO: TAMPA

Re airtel from Tampa to Atlanta dated 11/10/93.

Enclosed for Tampa Division are the original and two copies of an FD-302 concerning interview of dated 4/1/94 and one FD-340 containing the original interview notes.

The enclosed FD-302 is self explanatory. Since no further investigation remains in this Division, this matter has been placed in RUC status.

② - Tampa (209B-TP-28810) (Enc 4) *ay*
 1 - Miami
 PJS:bsb
 (3)

209B-TP-28810-131

SEARCHED *BT* INDEXED *BT*
 SERIALIZED *BT* FILED *BT*

APR 21 1994

Approved: *GSC/18*

Transmitted

(Number)

(Time)

1-2
Wksentb6
b7Cb6
b7Cb6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/25/94b6
b7C

[redacted] was interviewed at her place of employment: [redacted]

[redacted] After being advised of the identities of the interviewing agents and of the nature of the interview, [redacted] provided the following information:

[redacted] Prior to this, she was employed with STRAIGHT, INC. She began with STRAIGHT as [redacted] office in [redacted]. In [redacted] she was transferred to [redacted] office where she served as [redacted]. Finally, in [redacted] she moved to the [redacted] office where she again served as [redacted] until she separated from STRAIGHT in [redacted] of that year.

b6
b7C

STRAIGHT was described as a program for youth aged 12 to 18 years old who were diagnosed with substance abuse problems. Routinely, these "clients" were referred by their parents. An average length of stay for this "intensive outpatient" program was about one year and costs averaged about \$10,000. Upon entry, a client and his family would meet with a clinician and the fiscal representative of STRAIGHT to determine a method for payment. Then, the client would be examined by a pediatrician within 48 hours and a psychiatrist within 72 hours. All medical doctors at [redacted] were on contract with STRAIGHT. The contract pediatrician was [redacted] the contract psychiatrists were [redacted]. All clients were accepted only after approval from STRAIGHT corporate headquarters in Tampa.

b6
b7C

Clients were scheduled to be in the program from 9 to 5 each day. Initially, they were housed at night by "host" parents, that is, parents with children already partly through the program. It was up to the parents of the new client to reimburse the host parents for their room and board. During the day, clients participated in various group meetings and

Investigation on 4/22/94 at [redacted] File # 209B-TP-28810
by SA [redacted] SA [redacted] Date dictated 4/25/94

b6
b7C

2090-TP-28810-132

INDEXED
FILED

APR 29 1991

WLC
sent



CA

b6
b7C

209B-TP-28810

b6
b7C

Continuation of FD-302 of [REDACTED], On 4/22/94, Page 2

activities, similar to the 12-step program for alcoholism. Only rarely was a client examined by a medical doctor and then only when extraordinary circumstances warranted.

Clients went through a series of phases in their treatment. During phase one, when the client was residing at the host home, they were involved in substance abuse education. Phase two included work with the client and his family. During phase two, the client was allowed to return home. Phase three afforded the opportunity for the client to return to school. In all phases, the clients participated in group activities which were conducted by a variety of people, usually by program counselors and para-professionals. Initially, it was not customary in the industry to have licensed providers direct group activities. This only became an issue in the early 1990s. Occasionally, a group would be coordinated by a physician when the topic to be discussed was medically related. At its peak, the Springfield STRAIGHT program enrolled 200 clients but continually declined as a result of licensing issues in Virginia.

b6
b7C

Many insurance companies did not cover children on their parents' policies. [REDACTED] believed that parents paid STRAIGHT out of their pockets and then claimed reimbursement from their insurance, if available. Beginning in the late 1980s and early 1990s, STRAIGHT began to contact the insurance companies directly, providing them with the client's diagnosis and projected length of stay. Although unaware of the exact procedures with regard to parents' authorization regarding insurance company payments, [REDACTED] knew that STRAIGHT received payments directly from insurance companies for their clients. She did not know if these parents had paid up front. The fiscal affairs for STRAIGHT headquarters were handled by [REDACTED]

b6
b7C

STRAIGHT operated programs in California, Orlando, Dallas, Atlanta, Detroit, Boston, Cincinnati and Virginia Beach as well as Springfield, Virginia. As soon as [REDACTED]

[REDACTED] she became aware of problems within the organization. Things began to change for the worse within corporate management once [REDACTED] took control in [REDACTED] program was subject to a civil lawsuit from a client, the details of which [REDACTED] was not aware of. She also noted that [REDACTED] would travel every other month to Dallas from Tampa

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 4/22/94, Page 3

b6
b7C

because he said he liked the way someone in Dallas cut his hair.

[REDACTED] was transferred to [REDACTED] to address problems there. She had earned a salary of [REDACTED] and was promised an increase of [REDACTED] upon her relocation in [REDACTED]. However, an across-the-board salary cut was implemented by headquarters of 20% which left her with a salary of [REDACTED]. She had heard rumors that corporate managers only took a 5% cut. She remembered that corporate had instituted a credit card for use by its personnel [REDACTED].

Corporate officials continued to use the card.

b6
b7C

Upon arriving at [REDACTED] she found about forty employees under the control of corporate official [REDACTED] who had taken charge after [REDACTED].

The number of employees dropped after the salary cut. [REDACTED] discovered that [REDACTED] has lost its license from [REDACTED].

[REDACTED] although they continued to receive JACHO certification [REDACTED] immediate decision was to terminate the program for several reasons.

b6
b7C

[REDACTED] program had consistently neglected the state licensing board, shelving its recommendations until [REDACTED] got there, which caused the program to lose its license. Additionally, the corporate office paid all of the bills incurred by its programs throughout the country. [REDACTED] office had no operating funds and no local bank account at its disposal. This created problems for [REDACTED] as she discovered that the [REDACTED] office's bills had not been paid for quite some time. She was immediately harassed by irate vendors demanding payments. She attempted to resolve the outstanding debts between corporate and the local vendors but was unsuccessful. At one point a warrant had been issued for her arrest by a local vendor who had named her as the only representative of STRAIGHT he knew. [REDACTED] demanded that corporate acquire a lawyer to handle the situation but they refused. She retained one anyway and eventually got some of the bills paid.

b6
b7C

[REDACTED] said that financially things may have been tight at the corporate offices. STRAIGHT was expanding and had just opened a program at Virginia Beach which quickly closed.

209B-TP-28810

Continuation of FD-302 of _____, On 4/22/94, Page 4

Census was declining, especially in _____ due to the licensing issue. At this point, corporate had decided to relocate _____ program to _____. _____ disagreed with _____ over this effort and told him she would terminate her employment with STRAIGHT before moving a disorganized and poorly run program to another district. _____ had even suggested that _____ approach the parent group at _____ to contribute funds to pay for the move to _____. The program eventually did move from its location at _____ to _____. _____ quit before the move was final. She said that when _____ office closed, she had heard that STRAIGHT left everything behind including records and patient files. She does not know what happened to them.

b6
b7C

While at _____ said, communications often bypassed her from corporate and contact was made directly with the fiscal office and the medical doctors. She was often unaware of the direction that corporate was giving to them. She surmised that these direct contacts started when the program was between administrators. In her position as administrator, she reported to numerous corporate officials as the organizational structure kept changing. Regarding _____ she recalled that he was a corporate official who began in the finance office in the Orlando program before becoming administrator there. _____ was the executive director prior to _____ (phonetic) was the marketing director for _____.

b6
b7C

_____ resides at _____.
_____ Her home telephone number is _____.
Her Social Security Account number is _____. She is
described as _____

b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 4/25/94

TO : SAC, TAMPA (209B-TP-28810)
 FROM : ADIC WMFO (209B-TP-18810) (C-14) (RUC)
 SUBJECT : [REDACTED]

ET. AL.;
 STRAIGHT, INCORPORATED,
 GANDY BOULEVARD,
 ST. PETERSBURG, FLORIDA;
 FBW - INSURANCE;
 OO: TAMPA

b6
 b7C

Enclosed for Tampa Division, Pinellas Resident Agency, are the original and one copy of an FD-302 report of an interview with [REDACTED] and a 1A envelope containing the notes of this interview.

As no further leads remain outstanding, WMFO considers this matter RUC.

② - Tampa
 1 - WMFO
 dcc
 (4)

209B-TP-28810-133

INDEXED
 FILED

APR 29 1994

FBI-TAMPA

cha [REDACTED]

wlc
 sent

b6
 b7C

Approved: _____ Transmitted _____ (Number) (Time) Per _____

Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA) (P) Date 4/22/94

From : SA [REDACTED]

Subject: [REDACTED]

ET AL;
STRAIGHT, INCORPORATED,
GANDY BOULEVARD,
ST. PETERSBURG, FLORIDA;
FBW - INSURANCE;
OO: TAMPA

The purpose of this memo is to request computer assistance and retrieval of [REDACTED]

On 4/12/94, [REDACTED]
(STRAIGHT) made available to this investigative agency copies of [REDACTED]

This memo is requesting that [REDACTED]

[REDACTED]
[REDACTED] They are as follows:

[REDACTED]
At this time, it is requested that [REDACTED] //

②-Tampa
CFB:lm
(2) [REDACTED]

assigned lead

SAS [REDACTED] RM
1 to assign lead. KED 5/5/94 lead set*

209B-TP-28810-134

SEARCHED	INDEXED
SERIALIZED	FILED
APR 22 1994	
C/A	[REDACTED] KED

rec'd at rotor 5/5/94

Human Services Guide

COMPULSIVE DISORDERS SUPPORT GROUPS

Alcoholics Anonymous	847-3333
Orange County	957-8700
Osceola County	281-7800
Emotions Anonymous	281-7800
FL Council on Compulsive Gambling	
Toll Free	1-800-428-7711
Gamblers Anonymous	236-8288
Narcotics Anonymous	428-5187
Overeaters Anonymous	678-2711

COUNSELING - FAMILY/MARRIAGE

Catholic Social Services	888-1818
Central Counseling Center	841-1841
Christian Service Center	894-7188
Church Street Counseling Center	423-2388
Deveraux Residential Treatment Center of Florida	425-4491
Episcopal Counseling Center	428-5827
Family Care Counseling	839-1132
Green House Family Counseling Ctr.	894-1542
Interact Counseling Associates	740-5355
Jewish Family Services	644-7553
Lakeside Alternatives, Inc.	740-8858
Lutheran Counseling Services	644-4852
Mental Health Center (Sem. Co.)	831-2511
Mental Health Services (Osc. Co.)	428-0023
Navy Family Service Center	644-4230
Park Lake Presbyterian Counseling Center	244-1253
WAY UP Christian Counseling Services	298-8467

CRIME REPORTING

Crime Line	423-8477
Toll Free	800-423-8477

Dial 740-6500 or
870-2900 When
asked, enter the 4-digit
TeleYellow™ Code



CRISIS INTERVENTION

See also Emergency & Crisis Services	
Help Now, Inc.	847-8811
Help Line, Central Florida	740-7477
Lakeside Alternatives, Inc.	878-3700
Mental Health Center (Sem. Co.)	321-4387
Mental Health Services (Osc. Co.)	933-0077
Spouse Abuse, Inc.	888-3888
We Care, Crisis Center Inc.	425-3838
Teen Line	841-2413

DEAF/TEXT TELEPHONE (TDD) SERVICES

Center for Independent Living	
Text Telephones (TDD)	628-1188
Or (TDD)	623-1070
Florida Relay Service	
Voice	800-855-8770
Text Telephone	800-888-8771
Human Services Council	897-8468
Library-System, Orange Co.	425-8888
Vocational Rehabilitation	892-7700
We Care, Crisis Center, Inc.	425-3838

DISASTER SERVICES

Red Cross	
Orange County	884-4141
Osceola County	842-2789
Seminole County	323-2880

DRUG ABUSE TREATMENT/ EDUCATION/SUPPORT

Center for Drug Free Living	423-8813
Center for Psychiatry/Florida Hosp.	897-1800
Fresh Start Ministries	382-3232
Grove Counseling Center	323-2788
Interact Counseling Associates	740-5355

DRUG ABUSE TREATMENT/ EDUCATION/SUPPORT (Cont'd)

Lakeside Alternatives, Inc.	878-3700
MADD Education/Support	422-8233
Mental Health Center (Sem. Co.)	321-4374
Mental Health Services (Osc. Co.)	428-0023
Narcotics Anonymous	428-5187
Project III	423-4387
S.A.F.E.	291-4387
Temporary Living Center	888-7758

EDUCATION - ADULT

Adult Literacy League	428-1848
East Orange Community Action	273-3841
Mid-Florida Technical Institute	888-8880
Orange Co. Public Schools - Adult Education	848-3288
Orlando Vocational Technical Center	428-2788
Osceola County Public Schools - Adult Education	847-3147
Seminole Community College	323-1488
Valencia Community College	298-8088
Westside Vo Tech Center	688-2851
Winter Park Adult Vocational Center	647-8368

EDUCATION - HANDICAPPED

Cerebral Palsy of Cen. FL, Inc., United	844-4678
Children's School	898-9707
C.I.T.E.	888-3177
East Sea Society/Early Intervention	888-2788
Harbor School	888-8802
I.S.I.S. (Individualized Support Through Innovative Services)	428-8848
Learning Disabilities Resource Center	284-2282
Morning Star School	298-3077
Pace School	888-3832
Primrose Center	888-7201
Public Schools	
Orange County	848-3228
Osceola County	870-8800
Seminole County	323-1282
Second Step Center	888-8888
Threshold, Inc.	871-7080

EDUCATION - PARENTING

Family Resource Center (Osc. Co.)	848-8100
Parent Resource Center	
Orange County	428-3843
Seminole County	823-1480 Ext. 878

EDUCATION - PRE-SCHOOL

Community Affairs, Org. Co. Dept. of Headstart Program	838-4444
Community Coordinated Child Care Headstart Program	
Osceola County	848-3880
Jewish Community Center	644-8833
Parent Resource Center	428-3843
Seminole County-4C Headstart Program	321-3888

EMERGENCY & CRISIS SERVICES

Crisis Intervention	
Adult Abuse Hotline	888-842-2873
Central Florida Helpline	740-7477
Center for Drug Free Living	423-8813
Child Abuse Hotline	888-842-2873
Help Now, Inc.	847-8811
Project III	423-4387
Spouse Abuse, Inc.	888-3888
We Care, Crisis Center, Inc.	425-3838
Teen Hotline	841-7443

Crisis Units	
Orange Co. - Lakeside Alternatives, Inc.	878-3700 Ext. 830
Osceola Co. - Mental Health Services	882-0077
Seminole Co. - Mental Health Center	321-4387
Disaster Relief Services Red Cross	
Orange County	884-4141
Osceola County	887-2788
Seminole County	323-2880

EMERGENCY & CRISIS SERVICES (Cont'd)

Domestic Violence	
Help Now, Inc. (Osc. Co.)	847-8811
Spouse Abuse, Inc.	888-3888
Poison Control	888-282-3171
Rape & Sexual Assault	
Response - Sexual Assault Resource Center	
Orange County	248-8007
Seminole County	740-8408
Osceola County	848-7288
Victim Advocate Programs	
Orange County	
Sheriff's Office	838-4820
Victim Services Program	
Seminole County	
Sheriff's Dept.	330-8800 Ext. 322
Runaway/Missing Children	
Boys Town Hotline	888-448-3000
Missing Children Center	327-4403
Missing Children Information Clearinghouse	800-342-0821
Runaway Hotline - Florida	800-788-2929
Runaway Switchboard - National	888-821-4000
Text Telephones (TDD)	888-821-8394
Suicide Prevention/Intervention	
Help Now, Inc. (24 hour)	847-8811
We Care, Crisis Center Inc (24 hour)	425-3838
Women's Residential and Counseling Ctr	425-3888

EMPLOYMENT COMPENSATION SERVICES

Unemployment Compensation Program	623-1278
Worker's Compensation Program	423-8488

EMPLOYMENT TRAINING/PLACEMENT

Area Agency on Aging of Central FL JTPA Program	623-1338
Center for Independent Living	623-1070
Center for Women (VCC)	628-1978
Displaced Homemakers Program (VCC)	628-3511
Job Services of Florida	887-2880
Private Industry Council of Cen. FL	887-2770
Private Industry Council of Osceola County	848-3821
Private Industry Council of Sem. Co.	321-8827
Schools, Public - Adult Education	848-3288
Seminole Community College	323-1488
Senior Community Service Employ. Prgm.	841-3282
Vocational Rehabilitation Services	887-2780
Valencia Community College	298-5088

FINANCIAL COUNSELING

Consumer Credit Counseling Services	
Orange County	423-2227
Natal Training Center Branch	644-4288
Osceola County	848-7887
Seminole County	323-6111

FOOD ASSISTANCE

See also Meal Services	
Catholic Social Services	888-1818
Christian Service Center	428-2823
Community Affairs, Org. Co. Dept. of Community Service Center	838-4444
Frontline Outreach, Inc.	881-8888
Jewish Family Services	298-3008
Kissimmee Ministerial Association	844-7588
Loaves and Fishes	844-8794
Navy-Marine Corps. Relief Society	888-6088
Rescue Outreach Mission of Sanford	844-4488
St. Cloud Community Parish	321-8224
Salvation Army	892-7070
Orange County	423-8883
Osceola County	931-4388
Seminole County	323-2882
Sanford Christian Sharing Center	322-2813
So. Seminole Christian Sharing Center	240-8188

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/11/94

[] was contacted at his place of business where upon he was advised of the identity of the interviewing agent and the purpose for the contact. [] recontacted the interviewing agent and provided the following information:

b6
b7C

[] was unable to find receipts concerning bills tendered by the STRAIGHT ORGANIZATION. [] son, [] was admitted into the STRAIGHT PROGRAM in Dallas, Texas. [] created a payment list to keep track of the fees paid to STRAIGHT. He advised that five payments were made between March of 1991 to July of 1991. [] could not locate his actual Explanation of Benefits (EOB) from the insurance company. He advised that only a few of the bills were submitted to his insurance company.

b6
b7C

[] was told that the monthly fee with the STRAIGHT PROGRAM was \$500. The parents continually held fundraisers to raise money for the STRAIGHT ORGANIZATION. [] advised that the fundraiser money went to the Florida office of STRAIGHT and then was supposed to go back out into the STRAIGHT PROGRAM to the various divisions. [] had heard rumors that the personnel in Tampa, Florida office of STRAIGHT took several trips to Mexico and that there was special office in Guadalajara, Mexico.

b6
b7C

[] work telephone number is []

209B-TP-28810-136
TBT TBT

CIA []

wlc sent

b6
b7C

Investigation on 3/2/94 at Houston, Texas File # 209B-TP-28810

by SA [] ids Date dictated 3/9/94

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/11/94

[redacted] appeared at [redacted]
[redacted] He was advised of the identity of the
interviewing agent and the purpose for the contact. He provided
the following information:

[redacted] remembers a man by the name of [redacted]
who was a staff member described at a large black male. The
other staff members were kids in the program or commenced from
the program. Finances were never discussed with [redacted] and
he had no dealings with the STRAIGHT personnel [redacted] heard
rumors concerning scholarships available after successful
commencement from the program but he never followed up on the
information.

When [redacted] first entered the program in Dallas, Texas,
he had a doctor give him a physical and a blood test. This was
done a few days after he entered the program. This was the only
time that he ever saw the medical doctor. During his admission
process, two other kids came into the room where [redacted] was
located and asked questions. This lasted for a couple of hours
and consisted of only conversation. One of the kids who
conducted the interview was [redacted] was actually
younger than [redacted] and commenced the program one month
before [redacted]



Once or twice a week, a white male, in his 50s, came in
to talk to different children in the program. [redacted]
[redacted]
[redacted]

[redacted] Sometimes the staff members at STRAIGHT would go and
get the medicines out of the office to dispense to the kids. The
kids would also ask the staff for medicines like prescription
medicine, Prozac, and the next day the staff would have the
medicines available for the children.

Investigation on 3/9/94 at Houston, Texas File # 209B-TP-28810

by SA [redacted] ids Date dictated 3/1/94

209B-TP-28810-137
But But

w/c sent CIA  

b6
b7c

209B-TP-28810

Continuation of FD-302 of

[Redacted]

, On 3/9/94, Page 2

The following is a description of [Redacted] through observation and investigation:

b6
b7C

Race: White

Sex: Male

Date of Birth:

Employment:

Home Address:

Home Telephone:

[Redacted]

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/22/94

[redacted] voluntarily met with the interviewing Agent at [redacted] place of business located at [redacted]. [redacted] was advised of the identity of the interviewing Agent and the purpose of the contact. He provided the following information:

[redacted] son, [redacted] had a drug abuse problem and was admitted into [redacted] for approximately 30 days. This program did not produce any positive results, therefore [redacted] asked different friends concerning other drug rehab programs. [redacted] learned of an organization by the name of STRAIGHT. [redacted] went to Dallas, Texas, and visited the facility run by the organization STRAIGHT. [redacted] was admitted into the program in [redacted] and commenced the STRAIGHT program in [redacted].

While [redacted] was in the STRAIGHT program, he experienced some asthma/bronchitis illnesses. The doctor bills from [redacted] were sent directly to [redacted] remitted payment directly to the doctor. On some of the bills, [redacted] submitted their bills for reimbursement to BLUE CROSS/BLUE SHIELD INSURANCE COMPANY, other paid bills were never submitted to their insurance company by [redacted].

The parents group, where the parents all met at meetings in Dallas, Texas, were asked to perform fund-raisers and provide donations to the organization. One of the fund-raisers involved a golf tournament that was organized by [redacted]. This fund-raiser raised approximately \$10,000 - \$15,000. Two women from the STRAIGHT organization, one which was from [redacted] Office, flew to [redacted] picked up the donation check and then left. [redacted] thought this behavior was strange and portrayed the typical "greed" of the personnel of the STRAIGHT organization.

Investigation on 1/25/94 at Houston, Texas File # 209B-TP-28810

by SA [redacted] /mgk Date dictated 2/4/94

209B-TP-28810-138

12/21/12

w/ sent

CIA *KJ*

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 1/25/94, Page 2

The children stayed in host homes which were run by the parents who had children admitted in the program. There was a monthly fee per couple that was due to the host home. There were two ways to pay these fees, first [REDACTED] initially paid a fee per month which was paid to STRAIGHT PARENT GROUP. The second way was when the child was assigned to a permanent host home where they paid the host home directly. The host home where [REDACTED] son [REDACTED] was housed, was [REDACTED]. Later, he went to [REDACTED].

b6
b7C

Part of the billing from STRAIGHT was submitted to [REDACTED] which was [REDACTED] insurance at that time. The other bills were submitted to BLUE CROSS/BLUE SHIELD for reimbursement. The psychological counseling for [REDACTED] was not discussed with [REDACTED] nor did [REDACTED] ever met [REDACTED]. There was no interaction between [REDACTED] and the STRAIGHT personnel located in Tampa, Florida. The personnel at STRAIGHT always appeared to be unorganized and always in the need of money. Sometimes, the parents wondered if the chaos created by STRAIGHT was by design.

b6
b7C

[REDACTED] recalls that the STRAIGHT staff discussed a scholarship program that entailed that if [REDACTED] passed the STRAIGHT program and commenced, his college would be paid for by state funds. No other information was provided on this program. There was never any monies refunded by STRAIGHT to [REDACTED].

b6
b7C

[REDACTED] provided numerous documents relating to Explanation of Benefits in billings from STRAIGHT. Also included were some notes written to and from the insurance company concerning payments, Explanation of Refund Policies by STRAIGHT, Assignment of Benefits, and some spreadsheets created by [REDACTED] in an attempt to track the monies that were paid to STRAIGHT by the insurance companies. Copies of these documents were provided to writer.

The following is a description of [REDACTED] through investigation and observation:

Name:

[REDACTED]

Race:

White

Sex:

Male

b6
b7C

209B-TP-28810

Continuation of FD-302 of , On 1/25/94, Page 3

Date of Birth:

Place of Employment:

Home Address:

Home Telephone:
Number

Mother's Name:

Mother's Telephone:
Number

Spouse Name:

Son's Name:

b6
b7c

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/28/93

[redacted] voluntarily met with the interviewing agent at her residence, located at [redacted]. She was advised of the identity of the interviewing agent and the purpose for the contact. She provided the following information.

When [redacted] son, [redacted] was [redacted] years old he had drug abuse problems and eventually ran away from home. [redacted] had [redacted] put into a rehabilitation facility in [redacted]. That facility cost [redacted] approximately \$60,000 for three months. [redacted]

[redacted] was referred to STRAIGHT by a friend who had experienced some good results with the program.

[redacted] knew that most of the other parents, participating in the STRAIGHT program, were also in a desperate situation with their children and with their finances. Many of the families came to STRAIGHT when they were at the end of their insurance coverage benefits.

The insurance which covered [redacted] was the TEXAS OIL MARKETERS ASSOCIATION (TOMA). [redacted]

[redacted] TOMA would not pay any part of the cost for the first rehabilitation center where [redacted] was admitted. TOMA also refused [redacted] request to cover any of the cost associated with STRAIGHT. [redacted] does not know how STRAIGHT was able to obtain payment from TOMA, but she believes that TOMA paid approximately \$300 a month to STRAIGHT.

[redacted] was admitted to STRAIGHT in Dallas, Texas on [redacted] and commenced (graduated) the program on [redacted]. The fee for STRAIGHT was \$500 a month. There were [redacted]

Investigation on 12/22/93 at Houston, Texas File # 209B-TP-28810

by SA [redacted] tac Date dictated 12/28/93

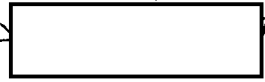
209B-TP-28810-139

Bot Bot.

1. 2. 3.

w/c sent

CIA



Handwritten initials or signature.

b6
b7C

209B-TP-28810

b6
b7C

Continuation of FD-302 of [REDACTED], On 12/22/93, Page 2

additional fees due, some of which went to the Host Homes, (approximately \$310 per month) and the expense of the once or twice a month provision of food for the children at the host homes. A Host Home was one of the parent's homes that had a child in the STRAIGHT program. The children were provided room and board at the Host Home. The actual monthly cost would vary but averaged approximately \$1200 per month. STRAIGHT administrators told the parents to make the checks, for the host homes and the donations from the parents to STRAIGHT, payable to cash.

STRAIGHT always had the parents performing fund raisers. The parents group requested to see a financial statement from STRAIGHT to see exactly where the money was being spent. STRAIGHT would not release that information.

The personnel in Florida and Dallas were always changing. They appeared to be totally unorganized and always in need of more money. The parents group attributed the organization's lack of money to the mounting debts that were incurred when other STRAIGHT facilities were closed down and also due to the fact that many of the parents were not paying their bills. The staff, that ran STRAIGHT, was very secretive about information concerning the organization.

b6
b7C

[REDACTED] learned that the TEXAS ALCOHOL BUREAU was investigating STRAIGHT. The problems that she perceived were that kids were being held against their will and the possible use of physical restraints. The restraints did not seem unusual to [REDACTED] due to the fact none of the kids wanted to be in the program.

The program was run on peer pressure at the Host Homes. There was approximately eight to ten children in a home. The older kids acted as junior staff counselors to the newer kids. To [REDACTED] knowledge none of the staff had their Bachelors of Social Work (BSW) and there was no psychologist or psychiatrist on staff [REDACTED] was never seen by a medical doctor except for when he was sick and then the host family would take him to a private doctor [REDACTED] believes that there was a medical doctor on staff for approximately two months.

b6
b7C

[REDACTED] felt that STRAIGHT controlled the parents group by fear. The parents were afraid that if they spoke out or ask

209B-TP-28810

Continuation of FD-302 of [redacted], On 12/22/93, Page 3

too many questions, that the STRAIGHT administrators would find a way to take it out on their kids. The parents that brought their children to this program saw no other option for their kids, therefore they submitted to this type of program. [redacted] felt that her son would end up in prison or dead if he did not find successful treatment.

b6
b7C

There was an initial admission charge for the psychological testing performed on [redacted] was never given any results of the tests, nor did she ask for the results. At the time of the STRAIGHT tests [redacted] had already been seen by other psychologists and had not seen any improvement, therefore [redacted] lost whatever confidence she had in psychiatrists or psychologists.

[redacted] (LNU) was brought in to the Dallas office, as the head of fund raising, by the Florida administration office. [redacted] advised [redacted] that government funding, in relation to STRAIGHT, was difficult to obtain but she never told [redacted] about any scholarships or grants.

b6
b7C

The head of the parent group in Dallas, Texas was [redacted] [redacted] telephone number [redacted] One of the staff counselors in Dallas was [redacted] telephone number [redacted]

For a short period of time, the head of the Dallas program was [redacted] A business card for [redacted] showed an address of [redacted] and a telephone number of [redacted] The Dallas facility was closed down in November of 1991.

[redacted] provided numerous documents concerning the insurance payments and information from STRAIGHT, including initial fees paid. Copies of these documents were made and retained by writer.

b6
b7C

[redacted] was aware that insurance companies for several of the parents were billed after their children commenced the program at STRAIGHT. Some of these parents were due a refund but they were never paid. Due to these facts [redacted] did not pay the last three months of fees to STRAIGHT because she did not want to lose any money that would be owed to her. When the Dallas facility personnel began to question the Florida's office ethics,

209B-TP-28810

Continuation of FD-302 of , On 12/22/93, Page 4

Florida administrators fired the entire staff in Dallas. The Dallas facility was closed down in November of 1991.

b6
b7c

The following is a description of through investigation and observation.

Race

White

Sex

Female

Date of birth

Place of birth

Home address

Home telephone

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/10/94b6
b7C

[redacted] voluntarily met with interviewing agent at their place of business located at [redacted]. The name of their business is [redacted]. They were advised of the identity of the interviewing agent and the purpose of the contact. They provided the following information.

[redacted] advised that [redacted] advised her that a friend had sent their children to a rehabilitation program called STRAIGHT and had good results. The [redacted] son, [redacted] began to get into trouble about age [redacted]. At age 17, [redacted] admitted their son into the STRAIGHT program. [redacted] was the administrator in Houston at that time. In order for their son to be admitted into the STRAIGHT program, parents had to attend meetings each weekend in Dallas, Texas. The Houston administrator explained the finances and fees that STRAIGHT would charge. There were two payments, the first payment was for treatment, and the second payment was for host home fees. It was explained that there are five phases to the program and that their son would need to complete each phase in order to finish or commence the program. [redacted] never received any written confirmation of psychological exams performed on their son. [redacted] were told by a counselor (name unknown) that their son was at a certain level of drug addiction.

b6
b7C

The STRAIGHT program personnel always portrayed the program as being underfunded. They were always asking for donations and for the parents to perform fund raisers. There was also a high turnover of employees working for STRAIGHT. The [redacted] never met any of the administrators from the Tampa, Florida office. Every weekend, [redacted] would help out in the host home and brought groceries to the host home in order to feed the children. The host homes were run by parents located in Dallas who also had children in the program.

b6
b7C

Investigation on 1/25/94 at Houston, Texas File # 209B-TP-28810

by SA [redacted]/krc Date dictated 1/25/94

b6
b7C

209B-TP-28810-140

But But

12 12

CIA



[Handwritten signature]

w/c sent

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 1/25/94, Page 2

[REDACTED] insurance company was TIME INSURANCE COMPANY. The initial fees for their son's treatment was \$425 a month; it later went up to \$500.00 a month. The organization of STRAIGHT would bill [REDACTED] and when she received the receipt, she would send the bill in for reimbursement by her insurance company. At one point, a female (name unknown) in Dallas submitted STRAIGHT's bills directly to her insurance company. When [REDACTED] was informed of this, she advised the female not to directly bill her insurance but instead to send the receipts to [REDACTED] and she would bill the insurance company.

b6
b7C

[REDACTED] provided copies of the Explanation of Benefits (EOB) showing the amounts billed by STRAIGHT to their insurance company. In [REDACTED] the fee was increased to \$500.00 per month. The [REDACTED] bills were the two billings that STRAIGHT directly billed to the [REDACTED] insurance. The only discrepancy [REDACTED] ever determined on her bills was an \$1,100.00 payment that the insurance company held from [REDACTED]. In [REDACTED] the insurance company reimbursed [REDACTED] the \$1,100.00.

b6
b7C

[REDACTED] were never advised of any information concerning scholarships or government funding concerning the program. [REDACTED] are not familiar if a physician attended the therapy groups or not. Any physician bills that were sent to the [REDACTED] were sent to them by the organization STRAIGHT. The personnel at STRAIGHT appeared to keep their business very secretive, and parents were often chastised and/or scolded by other parents. The organization was run by peer pressure on the children and at the parents meetings. The parents were required to meet certain levels of responsibility much like the children who were reprimanded by the older children and in essence kept in line.

b6
b7C

[REDACTED] is now [REDACTED] years of age. His date of birth is [REDACTED]. He still resides in [REDACTED]. [REDACTED] recall the Dallas personnel as [REDACTED].

b6
b7C

[REDACTED] date of birth is [REDACTED] and [REDACTED] date of birth is [REDACTED] is [REDACTED] is the adopted son of [REDACTED].

209B-TP-28810

Continuation of FD-302 of

[REDACTED]

, On 1/25/94, Page 3

[REDACTED] provided several copies of EOBs and miscellaneous letters written to and/or from the insurance company.

b6
b7c

[REDACTED] was admitted in [REDACTED] to the STRAIGHT program and continued in the program until approximately [REDACTED].
[REDACTED] He did not official commence the program.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/22/94

[redacted] met with [redacted] interviewing Agent at their place of business located at [redacted] [redacted] were advised of the identity of the interviewing Agent and the purpose for the contact. They provided the following information:

In [redacted] were having difficulties with their daughter, [redacted]. They attended a TOUGH LOVE GROUP, which was a parent support group for children who were rebellious and/or abusing drugs. The parents in the TOUGH LOVE GROUP needed an additional option to attempt to help their children. A man by the name of [redacted] spoke to the TOUGH LOVE GROUP about the group STRAIGHT. [redacted] had the most contact with the personnel at STRAIGHT. [redacted] advised that she always had a "bad" feeling about the program. [redacted] spoke to a man by the name of [redacted] Last Name Unknown (LNU), located in Houston, Texas, about the program.

The parents had several requirements placed upon them in order for their children to be in the program. Among these requirements were: they were to attend two meetings a week in Dallas, Texas; volunteer to speak about the organization STRAIGHT at other organizations; and perform fund-raisers to raise money for the organization. These requirements were placed so that the parents could "earn rights" to see their daughter. [redacted] started the program when she was [redacted] years old and stayed in the program on and off for approximately two months. [redacted] ran away from the host home where she was housed three times. After the third time she ran away [redacted] canceled their contract with STRAIGHT.

There were several problems with STRAIGHT, among them were that the personnel had a high turnover, the organization was always in need of money, and always appeared to be very disorganized. [redacted] allowed STRAIGHT to bill their insurance company directly [redacted] insurance company at that time was CHUBB LIFE AMERICAN. The finances involved with

Investigation on 1/26/94 at [redacted] File # 209B-TP-28810

by SA [redacted] mgk Date dictated 2/4/94

209B-TP-28810-141

Bot Bot

11-2-10

wlc sent

CIA

A handwritten signature or initials, possibly "JL", written in ink.

b6
b7c

209B-TP-28810

Continuation of FD-302 of _____, On 1/26/94, Page 2

the STRAIGHT organization were explained to _____ by personnel in Dallas, Texas.

When _____ went into the treatment, she was given a physical by a doctor. _____ never met the doctor. _____ was never admitted to a hospital. _____ stayed at a host home with other children admitted in the program. A host home was run by the parents of one of the children that participated in the program. _____ paid a specific amount per month for host home fees, these fees were paid to STRAIGHT and then put into a STRAIGHT account and then divided up between the host homes. _____ also sporadically bought food to the meetings for the parents in Dallas, Texas. _____ never visited the host home because they did not stay in the program long enough to make it to that level of involvement.

When _____ was admitted to the program, she went through a questionnaire and conversation process with the personnel in Dallas, Texas. There was not a copy of the psychological test provided to _____ nor did they ask for one. _____ had no dealings with the Administrative Personnel in Florida Office of STRAIGHT. There were never any discussions of scholarships and/or government funds that could be provided for the children participating in STRAIGHT. _____ never received any doctor bills directly from the doctor.

_____ said that STRAIGHT would bill the insurance company directly. A man from STRAIGHT, name unknown, advised _____ that with his insurance it should cover any of the extra cost, and that they (STRAIGHT) had ways to cover the extra cost billed by STRAIGHT. In the beginning of the program, STRAIGHT wanted _____ to make their host home checks out to the parents of host home. Later, they went to a system where the host home fees went into a fund at STRAIGHT and then was divided up among the host homes. STRAIGHT also billed _____ insurance for group therapy sessions. _____ begin to notice on his Explanation of Benefits from his insurance company that the insurance company was paying more than what was quoted to him as the fees due to STRAIGHT. _____ questioned STRAIGHT about the bills and the STRAIGHT personnel advised him that they were trying to collect more from the insurance company in a shorter period of time so that _____ would not owe any money at the end of the year. _____ stopped paying

b6
b7Cb6
b7Cb6
b7Cb6
b7C

209B-TP-28810

Continuation of FD-302 of _____, On 1/26/94, Page 3

b6
b7C

STRAIGHT because the insurance was over paying to STRAIGHT. _____ remembers that a flat fee deal was negotiated with STRAIGHT, and he believes that amount was \$18,000 a year or \$1,500 a month. _____ was under the impression that he had exhausted all his insurance benefits before ever beginning the STRAIGHT program but he advised that the insurance did pay. Neither _____ ever saw any STRAIGHT bills that were submitted to the insurance company. _____ physician bills were sent directly to the insurance company, and copies of the same were sent to _____. _____ were also billed for room and board by STRAIGHT, even when _____ ran away from the home. The host home/STRAIGHT advised that they reserved a spot for her, therefore they needed to bill for her, even though she was not at the home.

b6
b7C

_____ never talked to the same person twice at STRAIGHT. If _____ was not doing well in the program, the parents could not talk with anyone unless they went through an appropriate chain of command with the request forms provided by STRAIGHT. _____ broke their contract with STRAIGHT about the same time that the Dallas Office of STRAIGHT was closing. Several of the other parents also broke their contracts at the same time.

b6
b7C

_____ currently resides _____

_____ provided one copy of an Explanation of Benefits which reflected a service date from _____ to _____ of total charges of \$3,960.60 (a copy of which was provided to writer). _____ also provided to writer a copy of a letter sent to _____ by _____ describing the problems with the STRAIGHT organization. _____ have contacted their insurance company to obtain additional documents, namely Explanation of Benefits, to provide to writer. All the documentation previously in the possession of _____ was destroyed by _____ during one of their moves and after the divorce.

209B-TP-28810

Continuation of FD-302 of [redacted], On 1/26/94, Page 4

The following is a description of [redacted] through observation and investigation:

b6
b7C

Name:

[redacted]

Race:

White

Sex:

Female

Date of Birth:

[redacted]

Home Address:

Home Telephone:
Number

The following is a description of [redacted] through observation and investigation:

b6
b7C

Name:

[redacted]

Race:

White

Sex:

Male

Date of Birth:

[redacted]

Home Address:

Home Telephone:
Number

Work Address:

Work Telephone:
Number

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/4/94

[redacted] voluntarily met with the interviewing agent at her home located at [redacted]. She was advised of the identity of the interviewing agent and the purpose of the contact. She provided the following information.

[redacted] is currently employed at [redacted] with a work number of [redacted]. Her home telephone number is unlisted [redacted]. Her telephone number is [redacted]. [redacted] advised that in [redacted] she had problems with her son, [redacted]. [redacted] frequently ran away from home and possibly experimented with illegal drugs. At the same time, [redacted] was having trouble with her older son.

[redacted]

[redacted]

In [redacted] was admitted to the STRAIGHT PROGRAM which is a rehabilitation program located in Dallas, Texas. She took him out of the program in [redacted] due to several family problems. STRAIGHT billed her insurance company directly except for the host home fees and the pharmacy bills which were sent to her, and she filed the claims with her insurance. In order to afford entering her son into the program, she needed to take money from her Individual Retirement Account (IRA) to pay off the opening of the account. Her insurance which STRAIGHT billed was HEALTH NET. The Group Number for HEALTH NET was 164000. The address for HEALTH NET is 9494 Southwest Freeway, Suite 300, Houston, Texas 77074. The two telephone numbers for HEALTH NET are (713) 776-2885 and (713) 776-2886. [redacted] dealt mostly with [redacted] (female) at the Benefits Department; that telephone number is (713) 540-7954 or (713) 540-7878.

Investigation on 3/8/94 at [redacted] File # 209B-TP-28810

by SA [redacted] krc Date dictated 3/11/94

809B-TP-28810-142

Bot Bot

1 2 3

CIA
w/c sent

A handwritten signature or initials, possibly "J/S".

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 3/8/94, Page 2

[REDACTED] advised that at that time in [REDACTED] life, she would have done anything in an attempt to help him. He was a chronic runaway and had started using marijuana. The STRAIGHT personnel advised [REDACTED] that she needed to tell her insurance carrier that [REDACTED] had a drug problem in order to have the insurance cover her bills. She is not clear as to which personnel advised her of such but believes it may have been [REDACTED]. There was a high turnover of personnel at STRAIGHT, and the organization always appeared to be run very poorly and in a disorganized manner. STRAIGHT always had the parents holding fund raisers in order to obtain more money for the program. When [REDACTED] entered the STRAIGHT PROGRAM, [REDACTED] did not receive a break down of fees. When [REDACTED] called the STRAIGHT personnel to inquire about fees, they explained that it depended on what host home her son would be in or whether he would be in a host home.

[REDACTED] learned of STRAIGHT through [REDACTED] who formerly worked at [REDACTED]. [REDACTED] had a son in the program by the name of [REDACTED]. [REDACTED] was told there would be a \$500.00 a month fee and there was a medical service fee of \$600.00. STRAIGHT did not explain what the \$600.00 fee was nor did she ask. She is not familiar with what the final care at a cost of \$2,850.00 and the special care cost were for. She was told there were group counseling sessions, and she was told later that the kids in the program ran the program. [REDACTED] was disturbed because STRAIGHT did not have a nurse on-site to attend to medical needs. The host home parents would give out the medications to the children. The parents would leave the medicines in vials labeled but not marked with the prescription label. [REDACTED] believes that the STRAIGHT personnel, in the beginning of [REDACTED] stay at STRAIGHT, gave him medicine to sleep.

[REDACTED] was never advised of scholarships or government funding concerning the STRAIGHT PROGRAM. She did not have any interaction with the personnel in the Florida office. To the best of her knowledge, there were no oral or written test administered to her son. She does believe there was a physical and blood alcohol level test done on her son [REDACTED]. [REDACTED] is not familiar with any of the doctors or information concerning the doctors. The parents were not allowed to talk with each other concerning the program. The only person [REDACTED] spoke with was [REDACTED] another parent in the program.

209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 3/8/94 , Page 3

b6
b7C

In January of 1991, things began getting worse and worse at STRAIGHT. In December of 1990, STRAIGHT had really pushed for more money and if the parents missed a meeting or did not bring in enough money, they would be stood up and chastised by the other parents. [REDACTED] did not commence the program but at present is in good condition [REDACTED]

[REDACTED] provided copies of paperwork associated with STRAIGHT and/or the billings and insurance related to STRAIGHT to writer.

b6
b7C

The following is a description of [REDACTED] through observation and investigation:

RACE: White
SEX: Female
DATE OF BIRTH:
PLACE OF BIRTH:
EMPLOYMENT:
WORK TELEPHONE:

--

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/30/94

[redacted] voluntarily met with the interviewing agent at her place of business, located at [redacted]. She was advised of the identity of the interviewing agent and the purpose for the contact. She provided the following information:

[redacted] son, [redacted] was admitted to the STRAIGHT PROGRAM on [redacted] commenced the STRAIGHT PROGRAM in [redacted]. The insurance company billed for the STRAIGHT PROGRAM was the TRAVELER'S INSURANCE. This insurance was coverage on her former husband [redacted]. [redacted] cannot remember how she learned of the STRAIGHT PROGRAM.

[redacted] made several telephone calls to Houston personnel, and believed that she received a fee schedule from a female, located in Dallas, Texas, with the STRAIGHT PROGRAM. [redacted] advised that STRAIGHT was run like a cult [redacted] spent every weekend in Dallas and advised that the other parents with children in the program seem to be brainwashed.

[redacted] was quoted an estimated initial price for her son being in the program. The fees were broken down as follows:

Admission/Accessment fee for 2 months at the fee of \$6800; Monthly Service fee at \$500 a month for a total fee \$5,000; Host Home fees for a total estimated cost of \$3600; and After Care Host Home fees at a estimated value of \$1800. The total for all of these charges came out to \$17,200.

Initially [redacted] wrote checks to STRAIGHT for the Host Home fees, later she made her checks directly to the parents. It was the parents group that wanted the system changed to where the parents received the checks directly. The parents that ran the host home also had children in the program and usually took in two to three children that were in the program. The children took care of the house. [redacted] was to approve any medical

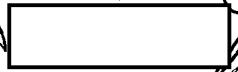
Investigation on 3/1/94 at Houston, Texas File # 209B-TP-28810

by SA [redacted] jds Date dictated 3/9/94

209B-TP-98810-43

But But

CIA



w/c sent

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 3/1/94, Page 2

b6
b7C

procedures that were to be done. It was [REDACTED] impression that a lot of the staff had gone through the STRAIGHT PROGRAM and had become group leaders. The parents were not allowed to attend the group meetings with the children during the week. When the children reached certain levels of achievement in the STRAIGHT PROGRAM, their parents could meet with them in meetings during the weekend.

The parents were always pressured to raise money for STRAIGHT. They held fund raisers and asked for donations from friends. The STRAIGHT personnel appeared to be very disorganized and there was a high turnover of employees [REDACTED] did not deal with the staff in Florida. She was never advised that there were scholarships available to the children who attended the STRAIGHT PROGRAM.

b6
b7C

[REDACTED] was told that if her son completed the STRAIGHT course and stayed drug free, he would be eligible to obtain government funding for a trade school or college course. She was told that this funding was available through the Texas Rehabilitation Commission. Neither [REDACTED] or her son ever checked into this reimbursement program.

b6
b7C

When [REDACTED] first spoke with the STRAIGHT personnel, she advised them that she could not afford the program. They asked her if she owned her car free and clear, and when she advised yes, they told her to sell it and pay for the program. [REDACTED] advised them no. She believes that her former husband received the majority of the Explanation of Benefits (EOB) concerning her son. [REDACTED] stop paying STRAIGHT when they closed the program. She still owed approximately \$2,000 but because they had advised her they were going to provide aftercare for her son and did not provide such care, she did not feel that she needed to pay the remaining fees.

b6
b7C

[REDACTED] remembered when all the staff was fired in Dallas because of a disagreement with the Florida office [REDACTED] [REDACTED] at one time was the business manager for the [REDACTED] office.

b6
b7C

[REDACTED] provided writer with various documents, including EOBs, concerning the STRAIGHT PROGRAM.

209B-TP-28810

b6
b7C

Continuation of FD-302 of

[Redacted]

, On 3/1/94, Page 3

The following is a description of
through observation and investigation:

[Redacted]

Race: White

Sex: Female

Date of Birth:

Home Address:

Home Telephone:

Place of Employment:

Work Telephone:

[Redacted]

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 5/4/94

TO : SAC, TAMPA (209B-TP-28810)
 FROM : SAC, HOUSTON (209B-TP-28810) (Squad WC1) (RUC)
 SUBJECT :

STRAIGHT, INCORPORATED,
 GANDY BOULEVARD,
 ST. PETERSBURG, FLORIDA;
 FBW - INSURANCE;
 OO: TAMPA

Reference Tampa airtel dated 12/8/93 to Houston and telcall from Houston to Tampa, 4/94.

Enclosed for Tampa are the original and one copy of FD-302s, original interview notes, and documents*, of the following people:

1) *(No documents provided) ✓

2)

3)

4)

5)

② - Tampa (encl. 30)
 2 - Houston
 TAC/tac
 (4)

209B-TP-28810-144

BT BT

MAY 20 1994

CTA

wlc sent

Approved: moj/wcc

Transmitted

(Number) (Time)

Per

b6
 b7C

b6
 b7C

b6
 b7C

6) [redacted] * (No documents provided) ✓

7) [redacted] ✓

8) [redacted] ✓

For information of Tampa, all the above persons were interviewed concerning captioned matter [redacted] son of [redacted] and former patient at STRAIGHT, possessed no documents but documents were obtained from [redacted] was repeatedly contacted in regard to the production of his documents and as to the expected time frame for delivery, [redacted] continually advised that he would send the documents asap. To date, no documents from [redacted] have been received by Houston.

Limited documents were received from [redacted] but he advised that his insurance company would send him copies of the EOBs related to captioned matter. [redacted] was repeatedly contacted concerning the production of the documents, but no documents have been produced, by the insurance company, to date. Houston will forward these documents under separate cover if received. It is possible that Tampa may need to issue federal grand jury subpoenas to the individuals or insurance companies to obtain the needed documents.

Interviews revealed that each family was treated differently concerning the billing process. Examples of which are: different amounts and different services billed to the insurance companies and medical bill receipts that were or were not provided for different procedures. All the interviewees advised that the personnel at STRAIGHT were disorganized and were always soliciting the parents for money. All the parents were required to attend the weekly meeting held in Dallas, Texas and they all expressed the same opinion that they felt that the STRAIGHT staff was attempting to "rule" the kids and the parents by fear. All advised that there was a Host Home fee separate and apart from the fee paid to STRAIGHT.

The following advised that they submitted the bills directly to their insurance companies for payment: [redacted] and [redacted]. The following advised that their insurance companies were directly billed by STRAIGHT for services rendered: [redacted]

As all logical investigation regarding captioned matter has been completed, Houston considers this matter RUC.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 6/02/94b6
b7C
b7D

[redacted] Date of Birth (DOB) [redacted]
[redacted] Social Security Account Number (SSAN) [redacted] Place of
Birth (POB) [redacted] address [redacted]
[redacted] telephone [redacted] occupation [redacted]
[redacted] was advised of the identity of
the interviewing Agent and the purpose for the interview.
[redacted] thereafter provided the following information:

and
92B

[redacted] advised that he was employed [redacted]
[redacted] of STRAIGHT INCORPORATED (STRAIGHT) for approximately

b6
b7C
b7D

[redacted] His responsibilities
included [redacted]

[redacted] STRAIGHT's structure included the national
headquarters located in Tampa, Florida; nine treatment programs
located throughout the United States; and satellite offices which
were affiliated with the nine programs.

[redacted] advised that the accounting operations of
STRAIGHT were centralized at the national headquarters. Although
each program administrator was responsible for their own billing
and fund raising, they did not have check writing authority.

b6
b7C
b7D

[redacted]
[redacted] Because of financial constraints
at various times, especially after 1991, priorities had to be
established in regards to payment of vendors and refund of
insurance payments to parents. Utmost in the minds of the Board
of Directors and Executive Staff was to make executive decisions
which would allow for the continuation of the operation of
STRAIGHT and the treatment of their clients.

b6
b7C
b7D

In 1991, STRAIGHT began experiencing severe financial
problems [redacted] stated that approximately \$5 million in
account receivables had to be discharged because people refused
to pay for services rendered. In addition, fund raising

Investigation on 5/17/94 at [redacted] File # 209B-TP-28810

b6
b7C
b7D

by SA [redacted] lm Date dictated 5/20/94

209B-TP-28810-145
dml dml
dml

C/A



[Handwritten signature]

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 5/17/94, Page 2

activities and resources decreased because of changes in tax laws and the economic condition of various companies who, in the past, had donated scholarships and funds to STRAIGHT.

b6
b7C
b7D

[REDACTED] stated that 1991 was the first year in which STRAIGHT experienced a year end deficit. Prior to that time, STRAIGHT was able to meet its obligations and, in fact, in 1989 experienced revenue and operations of \$13 million. During this time period STRAIGHT did have a cash reserve which would be invested daily through an account at [REDACTED]

b3
b6
b7C
b7Db3
b6
b7C
b7D

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 5/17/94, Page 3

b3
b6
b7C
b7D

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] doubted the Board of Directors would have taken any action without [REDACTED] STRAIGHT was losing money, the Board of Directors waited to close STRAIGHT [REDACTED] At no time did anyone on the executive staff or the Board of Directors ever challenge [REDACTED] directives.

b6
b7C
b7D

[REDACTED] advised when STRAIGHT began losing money in 1991, the Board of Directors failed to react to the problems. There was limited or no discussion regarding the generating of funds; however, the Board of Directors did recommend the reduction of some costs. Payroll costs were reduced which included a 20 percent decrease in executive staff salaries.

b6
b7C
b7D

[REDACTED] advised that personal use of credit cards was strictly prohibited. When travel was authorized, receipts had to be provided to support the expenditures. STRAIGHT adopted credit card usage for their administrative staff in an effort to portray a professional image to the public. Staff members were encouraged to take physicians and other members of the community to lunch to discuss recruitment of patients and fund raising activities.

Individuals who travelled for the company were permitted to utilize the corporate credit cards for gasoline purchases. Program directors were responsible for reviewing their staff members credit card expenditures, a vice president of STRAIGHT reviewed the program administrators, [REDACTED] [REDACTED] was unaware as to who reviewed [REDACTED] credit card expenses; however, he believes it is possible that no one reviewed her credit card usage.

b6
b7C
b7D

209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 5/17/94, Page 4

b6
b7C
b7D

[REDACTED] advised following [REDACTED] appointment as Executive Director in 1988, STRAIGHT began the process to obtain JACHO approval. Eventually, the Boston and Dallas programs lost their JACHO approval; however, because of financial losses, STRAIGHT decided to terminate operations at these facilities.

As a result of this accreditation process, STRAIGHT began to replace their client/student counselors with professional licensed counselors. This conversion also assisted in obtaining approval of payment by insurance companies.

[REDACTED] advised that each insurance company maintain different standards for reimbursement of medical expenses. STRAIGHT received various descriptions of their facility to include outpatient treatment with host families, outpatient care, and inpatient care. Throughout the history of STRAIGHT and the evolution of health care, their reimbursement procedures were continually changing.

b6
b7C
b7D

[REDACTED] stated STRAIGHT did not maintain a full time physician because the cost was prohibitive. A psychiatrist did supervise all treatment of the clients, and a medical doctor was on call and all patients were evaluated upon admission into the program.

[REDACTED] stated STRAIGHT did receive CHAMPUS payments for some clients, however, he did not know the volume of this type of reimbursement.

b6
b7C
b7D

[REDACTED] had no knowledge of [REDACTED] expenses reflected on his credit card was a charge based on relocation fees for an employee of STRAIGHT. At no time did [REDACTED] use or authorize anyone to utilize their credit card for personal use. [REDACTED] did suspect some employees were using their credit cards for personal use, specifically, he recalled [REDACTED] challenged receipts submitted by [REDACTED] however, because [REDACTED] threatened a lawsuit and STRAIGHT had limited funds, STRAIGHT agreed to meet this credit card obligation.

b6
b7C
b7D

[REDACTED] believed [REDACTED] was invited by [REDACTED] to travel to Spain to assist individuals in that country in opening a facility similar to STRAIGHT. [REDACTED]

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 5/17/94, Page 5

b6
b7C
b7D

accompanied [REDACTED] on this trip. [REDACTED] believed [REDACTED]
[REDACTED] travelled to Spain because of their experience in
the industry and their ability to speak Spanish [REDACTED] was
unaware of who paid for the costs of this trip or any personal
expenditures charged to the company as a result of this travel.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 6/16/94

TO : SAC, TAMPA
 FROM : SAC, SAN ANTONIO (209B-TP-28810) (SQ 12/ARA) (RUC)
 SUBJECT : ET AL;
 FBW - INSURANCE;
 OO: TAMPA

b6
b7C

Reference San Antonio airtel to Tampa, 3/16/94.

For information of Tampa, Texas Commission on Alcohol and Drug Abuse (TCADA), recontacted interviewing Agent advising that billing information was not collected during TCADA's investigation of Straight, Inc.

Therefore, inasmuch as all investigative leads have been conducted in the San Antonio Division, this matter is considered RUC'd.

② - Tampa
 1 - San Antonio
 VMO/rlr
 (3)

1*

b6
b7CApproved: 227/18

Transmitted

(Number) (Time)

C/A

209B-TP-28810-146

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 23 1994	
FBI - TAMPA	

Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA)

Date 7/29/94

From : CS [REDACTED]

Subject: [REDACTED]

ET AL;
STRAIGHT, INCORPORATED,
GANDY BOULEVARD
ST. PETERSBURG, FLORIDA;
FBW - INSURANCE;
OO: TAMPA

Re SA [REDACTED] memo dated 4/22/94, and SA [REDACTED]
telcall to writer, 7/25/94.

Per SA [REDACTED] information requested in rememo is no
longer needed to the declination of prosecution; therefore, the
floppy disks received are being returned to SA [REDACTED] and the
lead set regarding this matter should be closed.

① - Tampa
RSM:rm

(1)

209B-TP-28810-147

ACB 2 1094

Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA) (P)

Date 8/4/94

From : SA [REDACTED]

b6
b7C

Subject: [REDACTED]

STRAIGHT, INCORPORATED,
GANDY BOULEVARD,
ST. PETERSBURG, FLORIDA
FRAUD BY WIRE;
INSURANCE
(OO: TAMPA)

b6
b7C

Reference telephone call of SA [REDACTED] to
[REDACTED] on 7/26/94.

On 4/22/94, a memo was submitted requesting computer assistance in retrieval of records. This request is now terminated because AUSA [REDACTED] has advised that his office has declined prosecution in referenced matter.

② - Tampa
CB:cwch
(2)

1*

209B-TP-28810-148

SEARCHED <i>hnt</i>	INDEXED <i>hnt</i>
SERIALIZED <i>hnt</i>	FILED <i>hnt</i>
AUG 04 1994	
FBI - TAMPA	

C/A [REDACTED] [REDACTED] *TEJ*

b6
b7C



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to

File No. 209B-TP-28810

500 Zack Street, Suite 610
Tampa, Florida 33602
August 9, 1994

Honorable Donna A. Bucella
Acting United States Attorney
Middle District of Florida
500 Zack Street, Room 410
Tampa, Florida 33602

Attention: [redacted]
Assistant United States Attorney

Re: [redacted]
Straight, Incorporated
Gandy Boulevard
St. Petersburg, Florida
Fraud By Wire;
Health Care Fraud

Dear Ms. Bucella:

The purpose of this letter is to confirm a conversation between Assistant United States Attorney (AUSA) [redacted] and Special Agent (SA) [redacted]. AUSA [redacted] advised SA [redacted] that the United States Attorney's Office (USAO), Middle District of Florida, would be declining prosecution in referenced matter due to the fact there is lack of evidence to substantiate federal prosecution.

In view of this, our office will close referenced matter.

Sincerely,

Allen H. McCreight
Special Agent in Charge

13/
By: [redacted]
Supervisory Senior
Resident Agent

- 1 - Addressee
③ - Tampa
(1 - SAC MCCREIGHT)
CFB: [redacted] (4)

209A-TP-28810-148

SEARCHED
INDEXED
SERIALIZED
FILED

C/A [redacted] 15/

b6
b7C

b6
b7C

b6
b7C

Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA) (C) Date 8/25/94

From : SA [REDACTED]

Subject: [REDACTED]

STRAIGHT, INCORPORATED
FRAUD BY WIRE - INSURANCE
(OO: TAMPA)

done Close #5

The purpose of this memo is closure of referenced matter.

AUSA [REDACTED] UNITED STATES ATTORNEY'S OFFICE, advised that his office would be declining prosecution in referenced matter due to lack of evidence. All copies of evidence maintained in the Pinellas Resident Agency has been destroyed.

It is requested that the evidence clerk [REDACTED] dispose of the evidence provided by [REDACTED] which is currently in evidence in Tampa.

In view of the above information, it is requested that this case be closed.

② - Tampa

(1) - 209B-TP-28810

(1) - [REDACTED] Evidence Clerk)

CFB:cwan

(2)

1*

209B-TP-28810-150

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 25 1994	
FBI - TAMPA	

C/A

[Signature]

REPORT
of theFEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C. 20535

To: SAC, TAMPA (196B-TP-28810)

August 8, 1994

FBI FILE NO. 196B-TP-28810

LAB NO. 31118046 D ZC

Re: ET AL;
STRAIGHT INCORPORATED;
FBW-INSURANCE;
OO: TAMPAb6
b7c

Examination requested by: Addressee

Reference: Communication dated November 16, 1993

Examination requested: Magnetic Media

Specimens received: November 18, 1993

Specimens:

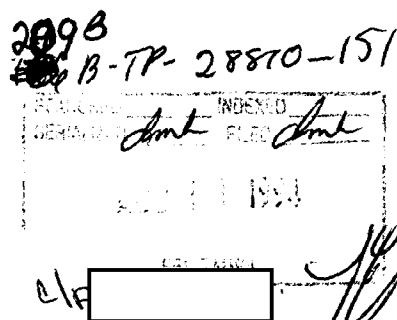
Q1 One Verbatim data cassette

The Q1 data cassette was analyzed using the computer resources currently available to the FBI Laboratory.

Attempts to access the Q1 cassette were negative.

The specific backup device used to create the Q1 data cassette could not be determined.

The Q1 specimen is being returned separately by overnight express to the contributor.

b6
b7c

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 9/7/94

TO : SAC, DALLAS
 FROM : SAC, TAMPA (209B-TP-28810) (PRA) (C)
 SUBJECT :
 ET AL;
 FBW;
 OO: TAMPA

ReDLairtel to Tampa dated 4/15/94, and Philadelphia airtel to Tampa dated 4/14/94.

Enclosed for the Dallas Division is a 1A envelope containing documents supplied by

Enclosed for the Philadelphia Division is a packet of information containing billing information from

^{1/32} Enclosed for San Antonio Division is a ~~confidential~~ STRAIGHT, INCORPORATED binder obtained from of the TEXAS COMMISSION ON ALCOHOL AND DRUG ABUSE.

Referenced investigation has been concluded in the Pinellas Resident Agency of the Tampa Division, and receiving offices are requested to return enclosed documents and evidence.

2-Dallas (Enc. 1)
 2-Philadelphia (Enc. 1)
 2-San Antonio (Enc. 1)
 1-Tampa
 CFB:lm
 (7) *gr*

209B-TP-28810-152
 SEARCHED
 INDEXED
 SERIALIZED
 FILED

1*

1/32 - TO FBI San Antonio 9/21/94
KEPSS-246-801

Approved: _____

Transmitted _____

(Number) (Time)

Per _____

b6
b7cb6
b7c

FEDERAL BUREAU OF INVESTIGATION

Precedence: DEADLINE 10/17/2001

Date: 10/03//2001

To: Tampa

Attn: Squad PRA

From: Information Resources

IMS/EADSU/ROOM 4965

Contact: [REDACTED]

Approved By: [REDACTED]

Drafted By: [REDACTED]

Case ID #: 62-HQ-C1039976 (Pending) - 10031
209B-TP-28810 (Closed) - 153

Title: NAME CHECK SUMMARY FILE

Synopsis: The Bureau is in receipt of a name check request from

[REDACTED]

"Straight, Incorporated," a not-for-profit adolescent drug rehabilitation facility, was investigated by the FBI in 1994 after a disgruntled employee accused the organization of illegally collecting insurance benefits. The complaint was found to have no merit. [REDACTED]

Administrative: We are authorized to conduct name checks for federal executive branch agencies under MAOP, Part 2, Section 9, 9-2.4.

Details: Tampa is directed to its case 209B-TP-28810 captioned [REDACTED] where Straight, Incorporated, is referenced.

Tampa is requested to review its file and submit an EC and LHM suitable for dissemination, setting forth the facts of the case that can be disseminated to [REDACTED] and Straight, Incorporated, to the attention of [REDACTED] Executive Agencies Dissemination Subunit, Room 4965. (Do not include Grand Jury 6(e) material or Bureau techniques in this LHM.)

b6
b7C

b6
b7C

b6
b7C

To: Tampa From: Information Resources
Re: 62-HQ-C1039976, 10/03//2001

LEAD(s):

Set Lead 1:

TAMPA

AT TAMPA, FLORIDA

b6
b7C

Tampa is requested to review its file and provide an EC and LHM suitable for dissemination to [REDACTED] and Straight, Incorporated. by close of business 10-17-2001. This EC should include [REDACTED]
[REDACTED]

CC: 1 - [REDACTED]
1 - [REDACTED]

♦♦

FEDERAL BUREAU OF INVESTIGATION

Precedence: DEADLINE 10/17/2001

Date: 10/15/2001

To: Information Resources

Attn: IMS/EADSU/Room 4965

From: Tampa

Squad 8

Contact: SA [REDACTED]

Approved By: [REDACTED] *JAM*

Drafted By: [REDACTED]

srg *SP*

Case ID #: 62-HQ-C1039976 (Pending)
209B-TP-28810 (Closed)

Title: NAME CHECK SUMMARY FILE

Synopsis: Summary of facts in case file 209B-TP-28810 [REDACTED]
[REDACTED]

Enclosure(s): The original and five copies of LHM summarizing
case file 209B-TP-28810 [REDACTED]

Details: As per the request from [REDACTED]
Information Resources, Tampa case file 209B-TP-28810 was reviewed
[REDACTED]

A summary of the
facts of the case is set forth in the enclosed LHM.

All investigation requested of Tampa Division has been
completed.

209B-TP-28810-154

To: Information Resources From: Tampa
Re: 62-HQ-C1039976, 10/15/2001

LEAD(s) :

Set Lead 1:

INFORMATION RESOURCES

AT WASHINGTON, DC

Read and clear.

♦♦

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1379387-001

Total Deleted Page(s) = 1
Page 1 ~ Duplicate;

XXXXXXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
XXXXXXXXXXXXXXXXXXXXXXXXX

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1379387-001

Total Deleted Page(s) = 1
Page 1 ~ Duplicate;

XXXXXXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
XXXXXXXXXXXXXXXXXXXXXXXXX

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1379387-001

Total Deleted Page(s) = 2
Page 1 ~ Duplicate;
Page 2 ~ Duplicate;

XXXXXXXXXXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
XXXXXXXXXXXXXXXXXXXXXXXXXXXXX

(Indicate page, name of newspaper, city and state.)

(Mount Clipping in Space Below)

Treatment center's headquarters closing

By ANNMARIE SANSFIELD
Tribune Staff Writer

ST. PETERSBURG — As quietly as Straight Inc. closed its drug treatment center three weeks ago, the St. Petersburg-based national headquarters quickly is following suit.

Bruce Epstein, a physician and member of Straight's board of directors, confirmed Thursday the national headquarters is closing.

Epstein, a medical adviser to Straight, said he learned of the pending shutdown from national Executive Director Bernadine Braithwaite. He said he didn't know any details of the closing or how it would affect other treatment centers still operating.

Straight officials and most

members of its board of directors did not return telephone calls. A woman who answered the telephone at Braithwaite's home said her mother was out of town.

Straight, which at one time had at least eight adolescent drug treatment centers in the United States, now has only two centers open.

Kathleen Cone, administrator for the center near Atlanta in Marietta, Ga., was unaware of any change in the status of the national headquarters. But she said from a treatment perspective, the closing "would have no impact" on her operation.

Cone said her center operates independently because it must

See STRAIGHT, Page 7

Date: 1953
Edition: Tampa Trib

Title: Straight Inc

Character: 209 B - TP-28810
or
Classification:
Submitting Office:

Indexing:

209B-TP-28810 54bD-3
BUT BUT

JAN 18 1953

CIA



b6
b7c

Straight Inc. will close headquarters

■ From Page 1

maintain client records at the site and must follow state operating requirements.

Kathy Radgens, clinical director at the center near Detroit in Southfield, Mich., said she could not comment until she had more information.

The St. Petersburg treatment center and national headquarters office building, both at 3001 Gandy Blvd., are for sale.

Real estate broker Fred O'Callaghan said he will meet today with Straight executives to determine an asking price for the property. The property appraiser's office lists the value of the land and buildings as \$1,088,900.

The defunct St. Petersburg drug treatment program is being investigated by the state, according to a spokeswoman for the Department of Health and Rehabilitative Services (HRS). And it's being investigated by the FBI, according to a former client and parents of former clients who say they have been questioned by an agent about allegations of double and triple billing.

HRS would not provide details of the state investigation and the FBI as a matter of policy will not confirm or deny any possible investigations.

In an April 23 letter to HRS, Straight said it closed the St. Petersburg treatment center because there were only 16 clients. At one time, the facility had as many as 325 clients.

In the letter, Joy Margolis, vice president of public affairs for Straight, attributed the low number of clients to "the depressed economy and lack of financial resources of many families."

Ten of the clients were transferred to the Georgia center, Cone said.

Founded in 1976 by former U.S. Ambassador Mel Sembler, Straight has suffered from several costly lawsuits stemming from allegations of physical abuse.

Sembler's secretary said Thursday he would not return telephone calls about Straight.

Straight uses intensive peer pressure and a 12-step program similar to Alcoholics Anonymous to rehabilitate drug users. Its unorthodox methods have been challenged by former clients and parents of former clients — many of whom formed a nationwide network against the organization.

In its heyday, the St. Petersburg center was visited by then-Vice President George Bush in 1987 and former first lady Nancy Reagan in 1982.

State investigating Straight Inc. drug program

■ The investigation of the controversial drug program is ongoing even though its St. Petersburg center closed over the weekend. Officials blamed that on the economy.

By CURTIS KRUEGER
Times Staff Writer

ST. PETERSBURG — Straight Inc. was under investigation by the state before the controversial adolescent drug treatment program closed its St. Petersburg center this weekend.

Elaine Fulton Jones, spokeswoman for the state Department of Health and Rehabilitative Services, confirmed the ongoing investigation, but said she was barred from providing any details. She also said she knew of nothing to indicate the investigation had anything to do with the center's closing.

Richard Bradbury, a former Straight client who has become an activist against the organization, said he initiated an investigation by complaining to the governor's office.

Bradbury said he complained that an Orlando adolescent drug treatment center with ties to Straight had apparently been allowed to operate without insurance. He said he also had provided the names of former Straight clients who said the program had abused them.

Straight officials did not return phone calls Monday, but they issued a short news release blaming the closing on the economy.

Although the local center has been closed, Straight's national headquarters will remain in St. Petersburg. The organization faxed a letter late Friday to HRS to announce the closing.

Although regulations generally require a 30-day notice, there is no penalty imposed on an organization that must shut its doors on short notice, Fulton Jones said.

Fulton Jones said the 16 remaining clients and their families had been offered the option of transferring to a Straight facility near Atlanta. She said nine of them

accepted the offer, and one was being admitted to a different program. She said she was not sure about the others. The center had room for 100 clients.

Straight's letter to HRS blamed the closing on "the depressed economy and lack of financial resources of many families."

Pinellas court records indicate some other areas of financial concern:

■ An \$872,642 default judgment from California has been entered in Pinellas County courts against Straight Inc. The judgment was entered because Straight broke a lease for a building in Yorba Linda, Calif., said Charles Buchanan of Davis Partners in Newport Beach, Calif.

■ Straight has had to sue some former clients for nonpayment within the past year. In one case, Straight said a Gainesville woman owed \$14,251 for her daughter's treatment. She said she was bankrupt.

Straight closed its treatment center in a Washington, D.C., suburb last year. It blamed that closing on the recession, too. Virginia officials in 1991 announced plans not to renew the center's license there because Straight had allegedly failed to provide proper education for youths in the program, had improperly allowed clients to be physically restrained and had made mistakes in evaluating clients' problems, *The Washington Post* reported. The center then moved to Columbia, Md., before announcing plans to close last year.

RO

Thursday, July 8, 1993

Straight chief twisted arms, report shows

Politically connected Mel Sembler had help from state senators to get a license renewed.

By ANNMARIE SANSFIELD
Tribune Staff Writer

ST. PETERSBURG — Former U.S. Ambassador Mel Sembler and unnamed state senators pressured a state agency into renewing Straight Inc.'s license despite a staff recommendation against it, an agency inspector general's report has found.

A seven-month investigation into the defunct St. Petersburg-based drug rehabilitation center, which Sembler founded, also revealed "a definite pattern of abuse or excessive force used against clients at Straight facilities." The probe stemmed from a complaint by Richard Bradbury, a former client and staff member.

The gossip report — riddled with unsubstantiated allegations and innuendos — details various conversations in which a high-level state Department of Health and Rehabilitative Services (HRS) official told his staff to license Straight Inc. regardless of findings in an August 1989 inspection.

The licensing team was ready to recommend the license not be renewed, because Straight had not corrected a number of issues raised at an inspection three months earlier.

Harry Moffitt, an HRS senior human services program specialist, told investigators of threats to fire a staff member who questioned why Florida would allow Straight to continue operating in spite of allega-

tions of withholding medication and food from clients, depriving them of sleep and using excessive force against them. Similar problems forced closure of Straight treatment centers in other states.

Moffitt said when Linda Lewis, a former HRS deputy assistant secretary, brought that fact to the attention of Ivor Groves, he told her, "If you do anything other than what I tell you to do on this issue, I will fire you on the spot."

Groves, a former HRS assistant secretary, denied the conversation to an investigator, and Lewis didn't recall it, the report said. Groves, Lewis and Moffitt could not be reached Wednesday. Sembler and Bernadine Braithwaite, executive director of Straight, did not return telephone calls.

Straight, which once boasted treatment centers in 12 states, closed its St. Petersburg treatment center in April. The adjacent national headquarters closed in May.

Although the findings won't have much significance because Straight is closed, HRS spokeswoman Ellen Dadisman said Wednesday the investigation was completed "to determine if we could have done anything better."

Straight has been simultaneously lauded and lambasted. While the target of numerous lawsuits stemming from allegations of physical abuse and holding people against their will, Straight received kudos from Republican administrations in the 1980s.

Straight board members Sembler and Joseph Zappala headed state fund-raising efforts for George Bush's 1988 campaign. Each made a \$125,000 contribution to the Re-

See STRAIGHT, Page 5

(Indicate page, name of newspaper, city and state.)

Date: 7-8-93

Edition: Tampa Tribune

Title: STRAIGHT INC

Character: 209 B- 28810

or
Classification:
Submitting Office:

Indexing:

■ From Page 1

publican National Committee and were part of the RNC's Team 100 of major contributors. They were rewarded with ambassadorships to Australia and Spain, respectively.

The report says Sembler contacted then-HRS Secretary Gregory Coler several times concerning Straight. "It appears that Mr. Coler then called Dr. Groves about Straight," the report said.

HRS also received telephone calls from state senators, who let it be known they strongly supported the program, "thus exerting a certain influence concerning Straight matters," the report concluded. The senators were not named.

Two of Pinellas County's three state senators at the time, Mary Grizzle, R-Belleair Shore, and Jeanne Malchon, D-St. Petersburg, said they did not make the calls supporting Straight. Curt Kiser, R-Palm Harbor, said he doesn't remember, but it's very unlikely that he would have made such a call.

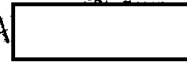
The HRS investigation also detailed physical abuse or neglect at Straight, including restraining clients who tried to escape or wouldn't sit straight in their chairs for as long as 12 hours; failing to provide follow-up medical treatment; and knowingly placing clients "in a dangerous situation."

2000-TP-23810 Sub D-4

SEARCHED INDEXED
SERIALIZED BT FILED BT

JUL 09 1993

CIA



[Handwritten signature]

b6
b7c

1
6

(Mount Clipping in Space Below)

* TIMES ■ THURSDAY, JULY 8, 1993 **3B**

Audit says Straight Inc. got breaks

■ The state audit reveals pressure to renew the license of the controversial drug treatment center from several officials despite concerns about abuses.

By CURTIS KRUEGER
Times Staff Writer

ST. PETERSBURG — An audit has concluded that state officials renewed the license of controversial drug treatment center Straight Inc. because of pressure from state senators and one of the center's founders, former U.S. Ambassador Mel Sembler.

The state audit also says Florida's experience with Straight shows "there has been a propensity for abuse or excessive force to be used."

Straight was formed in St. Petersburg and attained nationwide publicity in the 1980s, but the organization has since pulled out of St. Petersburg and closed several centers around the country.

Straight has long been dogged by allegations that it was physically and mentally abusive to the adolescents who were checked into the program.

The audit, conducted by the inspector general office of HRS, was released Wednesday. It quotes HRS officials who said a senior HRS administrator, Ivor Groves, wanted Straight's license renewed, despite concerns such as "withholding medication, excessive use of force, withholding food, sleep deprivation, etc." Groves denied the allegations.

At the time of this debate, Sembler had been nominated but not confirmed as the U.S. ambassador to Australia. He also had been one of the founders of Straight. Because of that, the audit said, "it appears that some members of HRS experienced some degree of pressure to grant Straight a license."

(Indicate page, name of newspaper, city and state.)

Date: 7.8.93
Edition:

Title: STRAIGHT INC

Character: 209B. 28810
or
Classification:
Submitting Office:

Indexing:

209B-TP-28810 Sub D-5
SEARCHED INDEXED
SERIALIZED FILED
JUL 09 1993
CIA []

b6
b7C

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1379387-001

Total Deleted Page(s) = 44

Page 15 ~ Referral/Direct - EOUSA, 209-TP-28810, sec 1, s. 1;
Page 16 ~ Referral/Direct - EOUSA, 209-TP-28810, sec 1, s. 1;
Page 17 ~ Referral/Direct - EOUSA, 209-TP-28810, sec 1, s. 1;
Page 100 ~ b6; b7C; b7D;
Page 107 ~ b6; b7C; b7D;
Page 108 ~ b6; b7C; b7D;
Page 109 ~ b6; b7C; b7D;
Page 110 ~ b6; b7C; b7D;
Page 111 ~ b6; b7C; b7D;
Page 112 ~ b6; b7C; b7D;
Page 113 ~ b6; b7C; b7D;
Page 114 ~ b6; b7C; b7D;
Page 115 ~ b6; b7C; b7D;
Page 116 ~ b6; b7C; b7D;
Page 117 ~ b6; b7C; b7D;
Page 118 ~ b6; b7C; b7D;
Page 119 ~ b6; b7C; b7D;
Page 120 ~ b6; b7C; b7D;
Page 121 ~ b6; b7C; b7D;
Page 122 ~ b6; b7C; b7D;
Page 123 ~ b6; b7C; b7D;
Page 124 ~ b6; b7C; b7D;
Page 125 ~ b6; b7C; b7D;
Page 126 ~ b6; b7C; b7D;
Page 127 ~ b6; b7C; b7D;
Page 129 ~ b6; b7C; b7D;
Page 175 ~ b6; b7C; b7D;
Page 354 ~ b3; b6; b7C;
Page 355 ~ b3;
Page 356 ~ b3;
Page 357 ~ b3;
Page 358 ~ b3;
Page 359 ~ b3;
Page 360 ~ b3; b6; b7C;
Page 361 ~ b3;
Page 362 ~ b3;
Page 363 ~ b3;
Page 364 ~ b3;
Page 365 ~ b3; b6; b7C;
Page 366 ~ b3;
Page 367 ~ b3;
Page 368 ~ b3;
Page 369 ~ b3; b6; b7C;
Page 370 ~ b3;

XXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
XXXXXXXXXXXXXXXXXXXXX

February 15, 1994

TITLE AND CHARACTER OF CASE

(RECLASSIFIED)b6
b7C

DATE PROPERTY ACQUIRED	SOURCE FROM WHICH PROPERTY ACQUIRED
February 08, 1994	BALTIMORE DIVISION/ <div style="border: 1px solid black; width: 150px; height: 20px; display: inline-block;"></div>

b6
b7C
b7D

LOCATION OF PROPERTY: ECR1

ANTICIPATED DISPOSITION	ACQUIRING AGENT	CASE AGENT
	<div style="border: 1px solid black; width: 200px; height: 20px; display: inline-block;"></div>	<div style="border: 1px solid black; width: 200px; height: 20px; display: inline-block;"></div>

GRAND JURY MATERIAL - NO (DISSEMINATE ONLY PURSUANT TO RULE 6(E))

DESCRIPTION OF PROPERTY

BARCODE: E0598992

1B1; BOX OF DOCUMENTS INCLUDING ACCTS RECEIVABLE, REQUESTS
FOR SERVICES, COLLECTION NOTICES FROM STRAIGHT FILES

*destroyed 9/1/94
- per memo dated 8/5/94*

FOR VALUABLES AND/OR NARCOTICS EVIDENCE ONLY
TWO SPECIAL AGENTS VERIFYING AND SEALING BAG CONTENTS

FIELD FILE NUMBER: TP/TP-0028810 (209B)
OFFICE-OF-ORIGIN: TAMPA

209B-TP-28810-101
U U

[Signature]

March 21, 1994

TITLE AND CHARACTER OF CASE

(RECLASSIFIED)

b6
b7C

DATE PROPERTY ACQUIRED	SOURCE FROM WHICH PROPERTY ACQUIRED
March 03, 1994	<div></div>

b6
b7C*(SEE SA AIT dated 3/16/94)*

LOCATION OF PROPERTY: ECRI

ANTICIPATED DISPOSITION	ACQUIRING AGENT	CASE AGENT
	SA <div></div> (FBI SA)	<div></div>

GRAND JURY MATERIAL - NO (DISSEMINATE ONLY PURSUANT TO RULE 6(E))

DESCRIPTION OF PROPERTY

BARCODE: E0806152
1B2; ONE BOX CONTAINING ONE BINDER CONTAINING INVESTIGATIVE
REPORT PREPARE BY TH TEXAS COMMISSION A ALCOHOL & DRUG ABUSE
RE: STRAIGHT, INC.

FOR VALUABLES AND/OR NARCOTICS EVIDENCE ONLY
TWO SPECIAL AGENTS VERIFYING AND SEALING BAG CONTENTS

FIELD FILE NUMBER: TP/TP-0028810 (209B)
OFFICE-OF-ORIGIN: TAMPA

209B-W-28810-1B²
U U

MD

June 23, 1993

TITLE AND CHARACTER OF CASE

(RECLASSIFIED)

b6
b7C

DATE PROPERTY ACQUIRED

June 18, 1993

SOURCE FROM WHICH PROPERTY ACQUIRED

b6
b7C
b7D

LOCATION OF PROPERTY: ECR1

ANTICIPATED DISPOSITION

ACQUIRING AGENT

CASE AGENT

GRAND JURY MATERIAL - NO (DISSEMINATE ONLY PURSUANT TO RULE 6(E))

DESCRIPTION OF PROPERTY

BARCODE: E0598023

1C1 COPIES OF INSURANCE DOCUMENTS

destroyed 9/1/94 CFB

FOR VALUABLES AND/OR NARCOTICS EVIDENCE ONLY

TWO SPECIAL AGENTS VERIFYING AND SEALING BAG CONTENTS

FIELD FILE NUMBER: TP/TP-0028810 (209B)

OFFICE-OF-ORIGIN: TAMPA

209B-TP-28810-1C1

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 23 1993	
FBI-TAMPA	

FILE COPY

July 02, 1993

TITLE AND CHARACTER OF CASE

(RECLASSIFIED)

b6
b7CDATE PROPERTY ACQUIRED
June 30, 1993

SOURCE FROM WHICH PROPERTY ACQUIRED

b6
b7C

LOCATION OF PROPERTY: ECR1

ANTICIPATED DISPOSITION

ACQUIRING AGENT

CASE AGENT

GRAND JURY MATERIAL - NO (DISSEMINATE ONLY PURSUANT TO RULE 6(E))

DESCRIPTION OF PROPERTY

BARCODE: E0598027

1C2; REFUNDS CHECKS ACCT. RECORDS, CONTRACTS, PERSONNEL RECORDS.

*destroyed
9/1/94 CFK*FOR VALUABLES AND/OR NARCOTICS EVIDENCE ONLY
TWO SPECIAL AGENTS VERIFYING AND SEALING BAG CONTENTSFIELD FILE NUMBER: TP/TP-0028810 (209B)
OFFICE-OF-ORIGIN: TAMPA

209B-TP-28810-12

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 12 1993	
FBI-TAMPA	

[Signature]

FILE COPY

September 17, 1993

TITLE AND CHARACTER OF CASE

(RECLASSIFIED)

b6
b7C

DATE PROPERTY ACQUIRED

September 08, 1993

SOURCE FROM WHICH PROPERTY ACQUIRED

b6
b7C
b7D

LOCATION OF PROPERTY: ECR1

ANTICIPATED DISPOSITION

ACQUIRING AGENT

CASE AGENT

GRAND JURY MATERIAL - NO (DISSEMINATE ONLY PURSUANT TO RULE 6(E))

DESCRIPTION OF PROPERTY

BARCODE: E0598193

1C3; INSURANCE FORMS CHARTS, SI CORRESPONDENCE LETTERS FROM
EMPLOYEES AND OTHER GENERAL INFORMATION*destroyed
9/11/94 CFB*

FOR VALUABLES AND/OR NARCOTICS EVIDENCE ONLY

TWO SPECIAL AGENTS VERIFYING AND SEALING BAG CONTENTS

FIELD FILE NUMBER: TP/TP-0028810 (209B)

OFFICE-OF-ORIGIN: TAMPA

*209B-TP-28810-1C³
UG UG***FILE COPY***CM*

November 30, 1993

TITLE AND CHARACTER OF CASE

(RECLASSIFIED)

b6
b7Cb3
b6
b7C

DATE PROPERTY ACQUIRED SOURCE FROM WHICH PROPERTY ACQUIRED

b6
b7C

LOCATION OF PROPERTY: ECR1

ANTICIPATED DISPOSITION

ACQUIRING AGENT

CASE AGENT

GRAND JURY MATERIAL - YES (DISSEMINATE ONLY PURSUANT TO RULE 6(E))

DESCRIPTION OF PROPERTY

BARCODE: E0598408

1C4;

*destroyed
9/1/94 CFB*

b3

FOR VALUABLES AND/OR NARCOTICS EVIDENCE ONLY
TWO SPECIAL AGENTS VERIFYING AND SEALING BAG CONTENTSFIELD FILE NUMBER: TP/TP-0028810 (209B)
OFFICE-OF-ORIGIN: TAMPA*209B-TP-28810-R4
ly ly**nl.*

December 27, 1993

TITLE AND CHARACTER OF CASE

(RECLASSIFIED)b6
b7C

b3

DATE PROPERTY ACQUIRED SOURCE FROM WHICH PROPERTY ACQUIRED

LOCATION OF PROPERTY: ECR1

b6
b7C

ANTICIPATED DISPOSITION ACQUIRING AGENT CASE AGENT

GRAND JURY MATERIAL - YES (DISSEMINATE ONLY PURSUANT TO RULE 6(E))

DESCRIPTION OF PROPERTY

BARCODE: E0598482

1C5; *destroyed 9/1/94 CFB*

b3

FOR VALUABLES AND/OR NARCOTICS EVIDENCE ONLY
TWO SPECIAL AGENTS VERIFYING AND SEALING BAG CONTENTSFIELD FILE NUMBER: TP/TP-0028810 (209B)
OFFICE-OF-ORIGIN: TAMPA

209B. TP-28810-105
16 14
H

December 27, 1993

TITLE AND CHARACTER OF CASE

b6
b7C

(RECLASSIFIED)

b3

DATE PROPERTY ACQUIRED SOURCE FROM WHICH PROPERTY ACQUIRED

LOCATION OF PROPERTY: ECRI

b6
b7C

ANTICIPATED DISPOSITION ACQUIRING AGENT CASE AGENT

GRAND JURY MATERIAL - YES (DISSEMINATE ONLY PURSUANT TO RULE 6(E))

DESCRIPTION OF PROPERTY

BARCODE: E0598483

IC6;

destroyed 9/1/94 CAB

b3

FOR VALUABLES AND/OR NARCOTICS EVIDENCE ONLY
TWO SPECIAL AGENTS VERIFYING AND SEALING BAG CONTENTSFIELD FILE NUMBER: TP/TP-0028810 (209B)
OFFICE-OF-ORIGIN: TAMPA*209B-TP-28810-106*
16 14
21

December 27, 1993

TITLE AND CHARACTER OF CASE

b6
b7C

(RECLASSIFIED)

b3

DATE PROPERTY ACQUIRED

SOURCE FROM WHICH PROPERTY ACQUIRED

AUSA

LOCATION OF PROPERTY: ECR1

b6
b7C

ANTICIPATED DISPOSITION

ACQUIRING AGENT

CASE AGENT

GRAND JURY MATERIAL - YES (DISSEMINATE ONLY PURSUANT TO RULE 6(E))

DESCRIPTION OF PROPERTY

BARCODE: E0598484

1C7;

*destroyed
9/1/94 PJB*

b3

FOR VALUABLES AND/OR NARCOTICS EVIDENCE ONLY
TWO SPECIAL AGENTS VERIFYING AND SEALING BAG CONTENTSFIELD FILE NUMBER: TP/TP-0028810 (209B)
OFFICE-OF-ORIGIN: TAMPA

209B-TP-28810-1C7
SEARCHED INDEXED
SERIALIZED FILED
DEC 27 1993
FBI - TAMPA

January 10, 1994

TITLE AND CHARACTER OF CASE

b6
b7C

(RECLASSIFIED)

b3

DATE PROPERTY ACQUIRED SOURCE FROM WHICH PROPERTY ACQUIRED

LOCATION OF PROPERTY: ECR1

b6
b7C

ANTICIPATED DISPOSITION

ACQUIRING AGENT

CASE AGENT

GRAND JURY MATERIAL - YES (DISSEMINATE ONLY PURSUANT TO RULE 6(E))

DESCRIPTION OF PROPERTY

BARCODE: E0598872

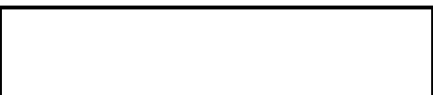
1C8; *destroyed 9/1/94 CFB*

b3

FOR VALUABLES AND/OR NARCOTICS EVIDENCE ONLY
TWO SPECIAL AGENTS VERIFYING AND SEALING BAG CONTENTSFIELD FILE NUMBER: TP/TP-0028810 (209B)
OFFICE-OF-ORIGIN: TAMPA*209B-TP-28810-108*
*44 44**all*

February 09, 1994

TITLE AND CHARACTER OF CASE



(RECLASSIFIED)

b6
b7c

DATE PROPERTY ACQUIRED

January 31, 1994

SOURCE FROM WHICH PROPERTY ACQUIRED

AUSA

LOCATION OF PROPERTY: ECRI

b6
b7c

ANTICIPATED DISPOSITION

ACQUIRING AGENT

CASE AGENT



GRAND JURY MATERIAL - NO (DISSEMINATE ONLY PURSUANT TO RULE 6(E))

DESCRIPTION OF PROPERTY

BARCODE: E0598983

1C9; COPIES OF BOARD MINUTES, FINANCIAL STATEMENT 9/30/91

destroyed 9/1/94 CFB

FOR VALUABLES AND/OR NARCOTICS EVIDENCE ONLY

TWO SPECIAL AGENTS VERIFYING AND SEALING BAG CONTENTS

FIELD FILE NUMBER: TP/TP-0028810 (209B)

OFFICE-OF-ORIGIN: TAMPA

209B-TP-28810-1C9
*u**YED*

March 09, 1994

TITLE AND CHARACTER OF CASE




(RECLASSIFIED)

b6
b7c

DATE PROPERTY ACQUIRED	SOURCE FROM WHICH PROPERTY ACQUIRED
March 08, 1994	NATIONS BANK

LOCATION OF PROPERTY: ECR1

b6
b7c

ANTICIPATED DISPOSITION	ACQUIRING AGENT	CASE AGENT
		

GRAND JURY MATERIAL - NO (DISSEMINATE ONLY PURSUANT TO RULE 6(E))

DESCRIPTION OF PROPERTY

BARCODE: E0806115
1C10; RECORDS FROM NCNB - SIGNATURE CARDS, CORP. RESOLUTIONS
COPIES FROM CASH MANAGEMENT ACCOUNT

*destroyed
9/4/94 (JVB)*

FOR VALUABLES AND/OR NARCOTICS EVIDENCE ONLY
TWO SPECIAL AGENTS VERIFYING AND SEALING BAG CONTENTS

FIELD FILE NUMBER: TP/TP-0028810 (209B)
OFFICE-OF-ORIGIN: TAMPA

209B-TP-28810-1C¹⁰
[Signature]

FILED

[Signature]

April 15, 1994

TITLE AND CHARACTER OF CASE

(RECLASSIFIED)

b6
b7C

DATE PROPERTY ACQUIRED	SOURCE FROM WHICH PROPERTY ACQUIRED
April 12, 1994	<div></div>

b6
b7C
b7D

LOCATION OF PROPERTY: ECR1

ANTICIPATED DISPOSITION	ACQUIRING AGENT	CASE AGENT
	<div></div>	

GRAND JURY MATERIAL - NO (DISSEMINATE ONLY PURSUANT TO RULE 6(E))

DESCRIPTION OF PROPERTY

BARCODE: E0806198

C11;

b7D

*destroyed
9/11/94 CFB*

FOR VALUABLES AND/OR NARCOTICS EVIDENCE ONLY
NO SPECIAL AGENTS VERIFYING AND SEALING BAG CONTENTS

FIELD FILE NUMBER: TP/TP-0028810 (209B)
OFFICE-OF-ORIGIN: TAMPA

209B-TP-28810-1C"
U4 U4

APD

May 05, 1994

TITLE AND CHARACTER OF CASE

b6
b7C

(RECLASSIFIED)

b3

DATE PROPERTY ACQUIRED SOURCE FROM WHICH PROPERTY ACQUIRED

LOCATION OF PROPERTY: ECR1

b6
b7C

ANTICIPATED DISPOSITION

ACQUIRING AGENT

CASE AGENT

GRAND JURY MATERIAL - YES (DISSEMINATE ONLY PURSUANT TO RULE 6(E))

DESCRIPTION OF PROPERTY

BARCODE: E0806267

1C12;

destroyed 9/1/94 OAB

b3

FOR VALUABLES AND/OR NARCOTICS EVIDENCE ONLY
TWO SPECIAL AGENTS VERIFYING AND SEALING BAG CONTENTS

FIELD FILE NUMBER: TP/TP-0028810 (209B)

OFFICE-OF-ORIGIN: TAMPA

209B-TP-28810-1012
*4 4**[Signature]*

Date 2/2/93

☐ Birth ☐ Credit ☐ Criminal ☐ Death ☐ INS ☐ Marriage* ☐ Motor Vehicle ☒ Other ☐ Driver's License

To		Buded
Return to		File number <u>196B new</u>
Name and aliases of subject, applicant, or employee, and spouse		

b6
b7C

Addresses

Residence Straight Incorporated Corp offices ST Petersburg Fla

Business _____

Former _____

*Date and place of marriage _____
(if applicable)

Race	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	Age	Height	Weight	Hair	Eyes
Birth date		Birthplace				
Arrest Number		Fingerprint classification		Criminal specialty		
Specific information desired						Social Security Number

Results of check

- corporate check
- civil cases
- Background on owners / management team

209B. TP 28810-11
196B

b6
b7C

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 4 1993	
FBI TAMPA	

please assign lead to _____
lead covered 2/22/93

see info
attached

2/23/93

FLORIDA DIVISION OF CORPORATIONS
INQUIRY BY CORPORATE NAME

12:32 AM

DOCUMENT #	STATUS/TYPE	CORPORATE NAME
1. 735636	NAME HS	STRAIGHT, INC.
2. N11318	ACT	STRAIGHT, INC.
3. 196658	INACT	STRAIGHT CORP -THE-
4. 696159	INACT	STRAIGHT AHEAD, INC.
5. J15901	ACT	STRAIGHT AHEAD BUILDERS, INC.
6. 740156	INACT	STRAIGHT AMERICA CORPORATION, INC.
7. V17063	ACT	STRAIGHT A NOTES AND STUDY GUIDES, INC.
8. N28911	INACT	STRAIGHT A REWARD, INC.
9. 400570	ACT	STRAIGHT ARROW, INC.
10. 679948	INACT	STRAIGHT ARROW AIR FREIGHT CORPORATION
11. L19387	ACT	STRAIGHT ARROW AUTOMOBILE SERVICE CENTER, INC.
12. F42240	ACT	STRAIGHT ARROW CITRUS, INC.
13. H59717	ACT	STRAIGHT ARROW INSTALLATIONS, INC.
14. 420166	INACT	STRAIGHT ARROW INVESTMENT CORP
15. L86616	INACT	STRAIGHT ARROW PUBLICATIONS, INC.
16. K35152	INACT	STRAIGHT A'S, INC.
17. K20553	INACT	STRAIGHT A'S PRODUCTIONS, INC.

Enter Number to View Detail or '+' Next, '-' PREV, 'M' Return to Menu

--- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTIONS OR CONFLICT ---

ENTER SELECTION AND <CR>:

Alt-Z FOR HELP3 3270/950 3 FDX 3 2400 E71 3 LOG CLOSED 3 PRINT OFF 3 ON-LINE

2/23/93

CORPORATE DETAIL RECORD SCREEN

12:33 AM

NUM: 735636 ST:FL ACTIVE/FL NON-PROF FLD: 04/22/1976

LAST: REINSTATEMENT FLD: 03/31/1992

FEI#: 59-1662427

NAME : THE STRAIGHT FOUNDATION, INC.

NH: 1

PRINCIPAL: C/O [REDACTED]

CHANGED: 03/31/92

ADDRESS 6529 CENTRAL AVENUE
ST. PETERSBURG, FL 33710

b6
b7c

RA NAME : [REDACTED]

NAME CHG: 03/31/92

RA ADDR : 6529 CENTRAL AVENUE
ST. PETERSBURG, FL 33710

ADDR CHG: 03/31/92

ANN REP : (1990) I 03/31/92 (1991) I 03/31/92 (1992) I 03/31/92

2/23/93 OFFICER/DIRECTOR DETAIL SCREEN 12:34 PM
CORP NUMBER: 735636 CORP NAME: THE STRAIGHT FOUNDATION, INC.
TITLE: PD NAME: [REDACTED]

b6
b7c

6529 CENTRAL AVENUE
ST. PETERSBURG, FL
TITLE: VD NAME: [REDACTED]
101 EAST KENNEDY BL., 2560
TAMPA, FL

TITLE: SD NAME: [REDACTED]
4000 PARK STREET NORTH
ST. PETERSBURG, FL

TITLE: TD NAME: [REDACTED]
100 SECOND AVENUE S., 400
ST. PETERSBURG, FL

TITLE: D NAME: [REDACTED]
555 SECAUCUS ROAD
SECAUCUS, NJ

TITLE: D NAME: [REDACTED]
100 S. ASHLEY DRIVE
TAMPA, FL

+ NEXT, - PREV, 1. MENU, 2. FILING, 3. TOP, 4. EVENTS, 5. NOTES, 6. NAMES
7. LIST, 8. NEXT BY LIST, 9. PREV BY LIST
THIS IS THE END OF THE LIST
ENTER SELECTION AND <CR>:

Alt-Z FOR HELP3 3270/950 3 FDX 3 2400 E71 3 LOG CLOSED 3 PRINT OFF 3 ON-LINE

2/23/93 CORPORATE DETAIL RECORD SCREEN 12:36 AM
NUM: N11318 ST: FL ACTIVE/FL NON-PROF FLD: 09/26/1985
LAST: REINSTATEMENT FLD: 02/08/1993
FEI#: 59-2576433
NAME : STRAIGHT, INC.
PRINCIPAL: 3001 GANDY BLVD.
ADDRESS ST. PETERSBURG, FL 33702
RA NAME : [REDACTED] NAME CHG: 04/17/91
RA ADDR : 3001 GANDY BLVD. ADDR CHG: 04/17/91
ST PETESBURG, FL 33702 US
ANN REP : (1991) I 04/17/91 (1992) IN 02/08/93 (1993) IN 02/08/93

b6
b7c

1. MENU, 3. OFFICERS, 4. EVENTS, 7. LIST, 8. NEXT, 9. PREV
----- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT -----
ENTER SELECTION AND <CR>:
Alt-Z FOR HELP3 3270/950 3 FDX 3 2400 E71 3 LOG CLOSED 3 PRINT OFF 3 ON-LINE

2/23/93 OFFICER/DIRECTOR DETAIL SCREEN 12:36 AM
CORP NUMBER: N11318 CORP NAME: STRAIGHT, INC.
TITLE: VSTD NAME: [REDACTED]
296 MIRROR LAKE DR.
ST. PETERSBURG, FL

b6
b7c

TITLE: VD NAME: [REDACTED]
3001 GANDY BLVD.
ST. PETERSBURG, FL

TITLE: PD NAME: [REDACTED]
442 RAYMOND AVE.
LONGWOOD, FL

+ NEXT, - PREV, 1. MENU, 2. FILING, 3. TOP, 4. EVENT
7: LIST, 8. NEXT BY LIST, 9. PREV BY LIST
----- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT -----
ENTER SELECTION AND <CR>:
Alt-Z FOR HELP3 3270/950 3 FDX 3 2400 E71 3 LOG CLOSED 3 PRINT OFF 3 ON-LINE

2/23/93 CORPORATE DETAIL RECORD SCREEN 12:37 AM
NUM: N11318 ST:FL ACTIVE/FL NON-PROF FLD: 09/26/1985
LAST: REINSTATEMENT FLD: 02/08/1993
FEI#: 59-2576433
NAME : STRAIGHT, INC.
PRINCIPAL: 3001 GANDY BLVD.
ADDRESS ST. PETERSBURG, FL 33702
RA NAME : NAME CHG: 04/17/91
RA ADDR : 3001 GANDY BLVD. ADDR CHG: 04/17/91
ST PETESBURG, FL 33702 US
ANN REP : (1991) I 04/17/91 (1992) IN 02/08/93 (1993) IN 02/08/93

b6
b7c

1. MENU, 3. OFFICERS, 4. EVENTS, 7. LIST, 8. NEXT, 9. PREV
----- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT -----
ENTER SELECTION AND <CR>:
Alt-Z FOR HELP3 3270/950 3 FDX 3 2400 E71 3 LOG CLOSED 3 PRINT OFF 3 ON-LINE

2/23/93 EVENT DETAIL SCREEN 12:37 AM
CORP NUMBER: N11318 CORP STATUS: ACTIVE
FILED DATE : 09/26/1985
CORP NAME : STRAIGHT, INC.

EVENT TYPE	FILED DATE	EFFECTIVE DATE	DESCRIPTION
REINSTATEMENT	02/08/1993		
ADMIN DISSOLUTION FOR ANNUAL REPORT	10/09/1992		
AMENDMENT	06/25/1990		

+ NEXT, 1. MENU, 2. FILING, 3. OFFICERS, 4. TOP
7. LIST, 8. NEXT BY LIST, 9. PREV BY LIST
----- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT -----
ENTER SELECTION AND <CR>:
Alt-Z FOR HELP3 3270/950 3 FDX 3 2400 E71 3 LOG CLOSED 3 PRINT OFF 3 ON-LINE

2/23/93 CORPORATE DETAIL RECORD SCREEN 12:38 AM
NUM: 196658 ST:FL INACTIVE/FL PROFIT FLD: 10/09/1956
LAST: DISSOLVED BY PROCLAMATION FLD: 04/18/1961
NAME : STRAIGHT CORP -THE-
ANN REP : * NONE FILED *

1. MENU, 4. EVENTS, 7. LIST, 8. NEXT, 9. PREV

----- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT -----
ENTER SELECTION AND <CR>:

Alt-Z FOR HELP3 3270/950 3 FDX 3 2400 E71 3 LOG CLOSED 3 PRINT OFF 3 ON-LINE

2/23/93

FLORIDA DIVISION OF CORPORATIONS
INQUIRY BY OFFICER/REGISTERED AGENT

12:39 AM

OFFICER/RA NAME	DOCUMENT #	BUS. ENTITY
1.	677754	SW BROWARD SCANNIN ^{b6}
2.	F36106	HOLMES COUNTY HOSP ^{b7c}
3.	413533	GATEWAY HOSPITAL C
4.	396705	LAKE HOSPITAL CORP
5.	488187	HOME HEALTH PROFES
6.	618803	GATEWAY MEDICAL MA
7.	626029	SENTINEL MEDICAL C
8.	626048	LAKE COMMUNITY HOS
9.	630326	ORGANIZATIONAL MAN
10.	659222	GATEWAY MEDICAL CE
11.	F13205	GATEWAY HEALTH SER
12.	F22021	U.S. HEALTH CORPOR
13.	F22022	U.S. HEALTH MANAGE
14.	F36105	PEMBROKE PINES HOS
15.	F45557	COMMUNITY HOSPITAL
16.	F82800	COURTLAND REGIONAL
17.	F86864	MID-FLORIDA REHABI

Enter Number to View Detail or '+' Next, '-' PREV, 'M' Return to Menu

--- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTIONS OR CONFLICT ---
ENTER SELECTION AND <CR>:

Alt-Z FOR HELP3 3270/950 3 FDX 3 2400 E71 3 LOG CLOSED 3 PRINT OFF 3 ON-LINE

2/23/93

FLORIDA DIVISION OF CORPORATIONS
INQUIRY BY OFFICER/REGISTERED AGENT

12:40 AM

OFFICER/RA NAME	DOCUMENT #	BUS. ENTITY
1.	G04111	SUMTER COMMUNITY ^{b6}
2.	G21584	HEARD COMMUNITY HO ^{b7c}
3.	G96761	THE FABRIC HUT, IN
4.	488187	HOME HEALTH PROFES
5.	G96761	THE FABRIC HUT, IN
6.	429394	GATEWAY HOSPITAL M
7.	G18749	JENKINS COMMUNITY
8.	H58937	HOSPITAL LIQUIDATI
9.	H66898	B R B PROPERTIES,
10.	P93000009164	COQUI ENTERPRISES,
11.	H66898	B R B PROPERTIES,
12.	K96899	GRAND OPENINGS STU
13.	729818	ZION LUTHERAN CHUR
14.	S33672	INTERNATIONAL FOOD
15.	723988	THE DADELAND CIVIT
16.	G10058	COCONUT GROVE LODG
17.	709462	PARKWOOD BAPTIST C

THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTIONS OR CONFLICT
ENTER SELECTION AND <CR>
Alt-Z FOR HELP3 3270/950 3 FDX 3 2400 E71 3 LOG CLOSED 3 PRINT OFF 3 ON-LINE

2/23/93

FLORIDA DIVISION OF CORPORATIONS
INQUIRY BY OFFICER/REGISTERED AGENT

12:41 AM

OFFICER/RA NAME	DOCUMENT #	BUS. ENTITY
1.	560045	PASCO 15, INC.
2.	N04927	THE SANCTUARY AT C
3.	N39750	JERRY BARLETTA LOD
4.	560045	PASCO 15, INC.
5.	N11318	STRAIGHT, INC.
6.	F33685	CONAM INSPECTION,
7.	M88501	THE TWO FRANK'S, I
8.	B27204	JOHNS-MANVILLE IRR
9.	732230	KIDNEY FOUNDATION
10.	828259	SALES CONSULTANTS,
11.	835410	MANAGEMENT RECRUIT
12.	714791	CATHOLIC SOCIAL SE
13.	642273	TEDE ENTERPRISES,
14.	S46049	TEDE ENTERPRISES,
15.	S46049	TEDE ENTERPRISES,
16.	642273	TEDE ENTERPRISES,
17.	642273	TEDE ENTERPRISES,

b6
b7c

Enter Number to View Detail or '+' Next, '-' PREV, 'M' Return to Menu
--- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTIONS OR CONFLICT ---
ENTER SELECTION AND <CR>:
Alt-Z FOR HELP3 3270/950 3 FDX 3 2400 E71 3 LOG CLOSED 3 PRINT OFF 3 ON-LINE

2/23/93

FLORIDA DIVISION OF CORPORATIONS
INQUIRY BY OFFICER/REGISTERED AGENT

12:42 AM

OFFICER/RA NAME	DOCUMENT #	BUS. ENTITY
1.	484019	EMERGENCY MEDICINE
2.	371024	BRAKEMASTER, INC.
3.	374986	NOVA ENGINE REBUIL
4.	494272	HOSPITAL ANCILLARY
5.	561149	LAKEVIEW COMMUNITY
6.	669166	TEE-RIFIC, INC.
7.	852593	ENTERPRISE 2000, I
8.	M88261	TWO L & S JANITORI
9.	V34676	FANTASY DISTRIBUTO
10.	184010	CHECKER CAB CO. OF
11.	740135	KIWANIS CLUB OF SO
12.	751765	NORTHWEST FLORIDA
13.	K40723	POUR MOI? OF FLA.,
14.	464512	JUNIOR ASSOCIATES,
15.	464512	JUNIOR ASSOCIATES,
16.	518907	LEE POLYLUBE CORP.
17.	518907	LEE POLYLUBE CORP.

b6
b7c

Enter Number to View Detail or '+' Next, '-' PREV, 'M' Return to Menu
--- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTIONS OR CONFLICT ---
ENTER SELECTION AND <CR>:
Alt-Z FOR HELP3 3270/950 3 FDX 3 2400 E71 3 LOG CLOSED 3 PRINT OFF 3 ON-LINE

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/2/93

[redacted]
[redacted] telephone number [redacted] Date of Birth (DOB) [redacted]
[redacted] was advised of the identity of the
interviewing agent and the purpose of the interview. [redacted]
then made available the following information.

[redacted]
[redacted]

The system supported at STRAIGHT, INC. was established by [redacted] A client would first sign a contract with STRAIGHT, INC. regarding the method of payment to be provided to their account. The first and second month required down payments of \$5,000.00 followed by subsequent payments of \$250.00 monthly. Even if the patient did terminate his association with the program, the family or responsible party had to fulfill the contract. It is [redacted] opinion that the management at STRAIGHT, INC. misused and mismanaged these funds.

[redacted]
STRAIGHT, INC., client refunds in 1990 totaled \$500,000.00. The Accounting Department was getting numerous calls from patients throughout the country regarding refund of their insurance payment. So many in fact [redacted] hired a receptionist to field these calls. Clients usually were refunded their money if and only if they threatened to sue or had hired an attorney to secure their insurance payments.

[redacted] the salaries of management were high, they were receiving high bonuses, utilizing the company credit cards for personal use [redacted]
[redacted]

Investigation on 2/13/93 at [redacted] File # 196B-TP-28810
by SA [redacted] nja Date dictated 2/13/93

196B-TP-208 D-1R

REC'D
BUT FILED BUT

MAY 2 1995

CLP



[Handwritten signature]

w/c sent

b6
b7C

196B-NEW

Continuation of FD-302 of [REDACTED], On 2/13/93, Page 2

b6
b7C
b7D

[REDACTED]

b6
b7C
b7D

[REDACTED] the management team responsible
for the day-to-day operations included [REDACTED]

[REDACTED]

b6
b7C
b7D

[REDACTED] STRAIGHT, INC. may be paying some
families back their insurance refunds at this time.

b6
b7C
b7D

[REDACTED] when the California STRAIGHT, INC.
program was opened, top management took ski lessons prior to the
trip to California, spent most of the weekends skiing, and took
their family members with them on the trip, although the company
was unable to pay their bills at this time. On their way home
from California, most of the individuals went to Las Vegas and
used their business credit cards for this trip.

0011 MRI 01584

OO FBITP

DE FBITP #0005 1042150

ZNR UUUUU

O 142138Z APR 93

FM FBI TAMPA (196B-TP-28810) (PRA) (P)

TO DIRECTOR FBI/IMMEDIATE/

BT

UNCLAS

CITE: //3880:1280//

PASS: HQ ATTN DAD JAMES FRIER, CID.

b6
b7c

SUBJECT: [REDACTED]

[REDACTED] STRAIGHT, INC., GANDY BOULEVARD, ST.

PETERSBURG, FLORIDA; FBW - INSURANCE; OO: TAMPA.

RE TELCON BETWEEN DAD FRIER AND SAC MCCREIGHT, INSTANT
DATE.

FOR INFORMATION OF FBIHQ, THIS CASE WAS INITIATED
FOLLOWING RECEIPT OF A REFERRAL FROM THE UNITED STATES
ATTORNEY'S OFFICE, MIDDLE DISTRICT OF FLORIDA. THE CIVIL
DIVISION OF THE UNITED STATES ATTORNEY'S OFFICE HAD RECENTLY

196B-TP-28810-2
SEARCHED _____
INDEXED _____
SERIALIZED 1001
FILED 1001
CIA [REDACTED] *[Signature]*

b6
b7c

PAGE TWO DE FBTP 0005 UNCLAS

FILED A CIVIL ACTION AGAINST [REDACTED]

b6
b7c

[REDACTED] SEEKING TO COLLECT

APPROXIMATELY \$950,000 OWED TO MEDICARE. THE CIVIL CASE AROSE WHEN MEDICARE'S FISCAL INTERMEDIARY MADE AN OBVIOUS AND GROSS MATHEMATICAL ERROR AND MISTAKENLY PAID THIS MONEY TO A DISSOLVED CORPORATION OF WHICH [REDACTED] AND [REDACTED] WERE DIRECTORS AND TRUSTEES. RATHER THAN RETURN THE MONEY, THEY POCKETED THE FUNDS. THIS CASE RECEIVED PUBLICITY IN THE ST. PETERSBURG TIMES NEWSPAPER, ST. PETERSBURG, FLORIDA, WHICH RESULTED IN CONTACT FROM MEMBERS OF THE COMMUNITY REGARDING OTHER ONGOING FRAUD COMMITTED BY [REDACTED] AGAINST STRAIGHT, INC.

STRAIGHT, INC., IS A NON-PROFIT ADOLESCENT SUBSTANCE ABUSE TREATMENT ORGANIZATION HEADQUARTERED IN ST. PETERSBURG, FLORIDA, WITH FACILITIES THROUGHOUT THE UNITED STATES. AT ITS PRIME, STRAIGHT, INC., HAD TEN PROGRAMS THROUGHOUT THE UNITED STATES AND CANADA, AND 14 SATELLITE OFFICES. ONLY ONE REMAINING FACILITY LOCATED IN ATLANTA IS IN OPERATION.

PARENTS OF THE ADOLESCENTS WITH A SUBSTANCE ABUSE PROBLEM WERE REQUIRED TO PAY ANYWHERE FROM \$14,000 TO \$19,000 TO STRAIGHT, INC., FOR AN 18-MONTH COURSE OF TREATMENT AT THE

PAGE THREE DE FBITP 0005 UNCLAS

TIME OF ADMISSION. THE PARENTS WERE REQUIRED TO ASSIGN THEIR INTEREST IN THEIR INSURANCE CLAIM TO STRAIGHT, INC. STRAIGHT, INC., WOULD THEN SUBMIT THE CLAIMS TO THE VARIOUS INSURANCE COMPANIES FOR PAYMENT. INSTEAD OF REIMBURSING THE PARENTS WHEN THE PAYMENTS FROM THE INSURANCE COMPANIES WERE RECEIVED BY STRAIGHT, THIS MONEY WAS UTILIZED FOR PAYROLL AND OPERATING CAPITAL FOR STRAIGHT, INC. MANY TIMES WHEN THE INSURANCE COMPANY FAILED TO NOTIFY THE PARENTS OF THEIR REIMBURSEMENT TO STRAIGHT, INC., STRAIGHT, INC., DID NOT NOTIFY THE PARENTS THAT STRAIGHT HAD RECEIVED A PAYMENT FOR THE SAME SERVICES. REIMBURSEMENT ONLY OCCURRED TO PARENTS WHEN THEY THREATENED TO EITHER SUE OR CONTACT THEIR LOCAL CONGRESSMAN.

FROM 1988 TO 1990, STRAIGHT, INC., WAS EXPERIENCING SEVERE CASH FLOW DIFFICULTIES. AN EXPLANATION FOR THESE DIFFICULTIES CAN BE ATTRIBUTED TO OVER EXPANSION, A DECREASE IN PATIENT ADMISSIONS, SEVERAL LARGE SETTLEMENTS REGARDING TREATMENT OF THE PATIENTS, AND THE MISMANAGEMENT OF FUNDS.

STRAIGHT, INC., DID LAY OFF NUMEROUS EMPLOYEES AND INSTITUTED A FIVE PERCENT REDUCTION FOR ALL CURRENT EMPLOYEES. INTERVIEWS CONDUCTED TO DATE DETERMINED THAT WHILE THESE

PAGE FOUR DE FBITP 0005 UNCLAS

REDUCTIONS WERE INSTITUTED, THE MANAGERS OF THE ORGANIZATION,

b6
b7C

[REDACTED]

CONTINUED TO RECEIVE HIGH SALARIES, NUMEROUS BONUSES AND
UTILIZED THE COMPANY CREDIT CARDS FOR PERSONAL USE -- TO
INCLUDE TRAVEL TO LAS VEGAS, "BIKINI WAXING" DINNERS, AND
OTHER TRAVEL EXPENSES TO INCLUDE A SKI TRIP TO CALIFORNIA.

ON APRIL 2, 1992, A FEDERAL GRAND JURY SUBPOENA FROM THE
MIDDLE DISTRICT OF FLORIDA WAS SERVED [REDACTED]

b3
b6
b7C

[REDACTED]

FBIHQ WILL BE NOTIFIED OF DEVELOPMENTS IN THIS
INVESTIGATION AS THEY OCCUR.

BT

#0005

NNNN

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ AIRTEL

PRECEDENCE:

☒ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 4/14/93FM FBI TAMPA (196B-TP-28810) (PRA) (P)

TO DIRECTOR FBI/IMMEDIATE/

BT

UNCLAS

CITE: //3880:1280//

PASS: HQ ATTN DAD ^{JAMES} FRIER, CIDb6
b7CSUBJECT: STRAIGHT, INC., GANDY BOULEVARD, ST.

PETERSBURG, FLORIDA; FBW - INSURANCE; OO: TAMPA.
Re TELCON BETWEEN DAD FRIER AND SAC McCREIGHT, INSTANT DATE.
 FOR INFORMATION OF FBIHQ, THIS CASE WAS INITIATED

FOLLOWING RECEIPT OF A REFERRAL FROM THE UNITED STATES
 ATTORNEY'S OFFICE, MIDDLE DISTRICT OF FLORIDA. THE CIVIL
 DIVISION OF THE UNITED STATES ATTORNEY'S OFFICE HAD RECENTLY
 FILED A CIVIL ACTION AGAINST

b6
b7C SEEKING TO COLLECT

APPROXIMATELY \$950,000 OWED TO MEDICARE. THE CIVIL CASE AROSE

1 - Tampa
 CFB: mpc
 (1)

196B-TP-28810-2
 SEARCHED _____
 INDEXED _____
 SERIALIZED BJT
 FILED BJT CIA

corrections
 done
 ps.

b6
b7CApproved: AmOriginal filename: BLT001W.104Time Received: 2137Telprep filename: BLT00150.104MRI/JULIAN DATE: 1584/104ISN: 005FOX DATE & TIME OF ACCEPTANCE: 4-14-93 2139

^PAGE 2 196B-TP-28810 UNCLAS

WHEN MEDICARE'S FISCAL INTERMEDIARY MADE AN OBVIOUS AND GROSS
MATHMATICAL ERROR AND MISTAKENLY PAID THIS MONEY TO A
DISSOLVED CORPORATION^{OF} WHICH [REDACTED] AND [REDACTED] WERE
DIRECTORS AND TRUSTEES. RATHER THAN RETURN THE MONEY, THEY
POCKETED THE FUNDS. THIS CASE ~~WAS~~ RECEIVED PUBLICITY IN THE
ST. PETERSBURG TIMES NEWSPAPER, ST. PETERSBURG, FLORIDA, WHICH
RESULTED IN CONTACT FROM MEMBERS OF THE COMMUNITY REGARDING
OTHER ONGOING FRAUD COMMITTED BY [REDACTED] ^{AGAINST} ~~TO~~ STRAIGHT, INC.

b6
b7C

STRAIGHT, INC., IS A NON-PROFIT ADOLESCENT SUBSTANCE
ABUSE TREATMENT ORGANIZATION HEADQUARTERED IN ST. PETERSBURG,
FLORIDA, WITH FACILITIES THROUGHOUT THE UNITED STATES. AT ITS
PRIME, STRAIGHT, INC., HAD TEN PROGRAMS THROUGHOUT THE UNITED
STATES AND CANADA, AND 14 SATELLITE OFFICES. ONLY ONE
REMAINING FACILITY LOCATED IN ATLANTA IS IN OPERATION.

PARENTS OF THE ADOLESCENTS WITH A SUBSTANCE ABUSE PROBLEM
WERE REQUIRED TO PAY ANYWHERE FROM \$14,000 TO \$19,000 TO
STRAIGHT, INC., FOR AN 18-MONTH COURSE OF TREATMENT AT THE
TIME OF ADMISSION. THE PARENTS WERE REQUIRED TO ASSIGN THEIR
INTEREST IN THEIR INSURANCE CLAIM TO STRAIGHT, INC. STRAIGHT,
INC., WOULD THEN SUBMIT THE CLAIMS TO THE VARIOUS INSURANCE

^PAGE 3 196B-TP-28810 UNCLAS

COMPANIES FOR PAYMENT. INSTEAD OF REIMBURSING THE PARENTS WHEN THE PAYMENTS FROM THE INSURANCE COMPANIES WERE RECEIVED BY STRAIGHT, THIS MONEY WAS UTILIZED FOR PAYROLL AND OPERATING CAPITAL FOR STRAIGHT, INC. MANY TIMES WHEN THE INSURANCE COMPANY FAILED TO NOTIFY THE PARENTS OF THEIR REIMBURSEMENT TO STRAIGHT, INC., STRAIGHT, INC., DID NOT NOTIFY THE PARENTS THAT STRAIGHT HAD RECEIVED A PAYMENT FOR THE SAME SERVICES. REIMBURSEMENT ONLY OCCURRED TO PARENTS WHEN THEY THREATENED TO EITHER SUE OR CONTACT THEIR LOCAL CONGRESSMAN.

FROM 1988 TO 1990, STRAIGHT, INC., WAS EXPERIENCING SEVERE CASH FLOW DIFFICULTIES. AN EXPLANATION FOR THESE DIFFICULTIES CAN BE ATTRIBUTED TO OVER EXPANSION, A DECREASE IN PATIENT ADMISSIONS, SEVERAL LARGE SETTLEMENTS REGARDING TREATMENT OF THE PATIENTS, AND THE MISMANAGEMENT OF FUNDS.

STRAIGHT, INC., DID LAY OFF NUMEROUS EMPLOYEES AND INSTITUTED A FIVE PERCENT REDUCTION FOR ALL CURRENT EMPLOYEES. INTERVIEWS CONDUCTED TO DATE DETERMINED THAT WHILE THESE REDUCTIONS WERE INSTITUTED, THE MANAGERS OF THE ORGANIZATION,

[REDACTED]

CONTINUED TO RECEIVE HIGH SALARIES, NUMEROUS BONUSES AND

b6
b7c

^PAGE 4 196B-TP-28810 UNCLAS

UTILIZED THE COMPANY CREDIT CARDS FOR PERSONAL USE -- TO
INCLUDE TRAVEL TO LAS VEGAS, "BIKINI WAXING" DINNERS, AND
OTHER TRAVEL EXPENSES TO INCLUDE A SKI TRIP TO CALIFORNIA.

ON APRIL 2, 1992, A FEDERAL GRAND JURY SUBPOENA FROM THE
MIDDLE DISTRICT OF FLORIDA WAS SERVED



FBIHQ WILL BE NOTIFIED OF DEVELOPMENTS IN THIS
INVESTIGATION AS THEY OCCUR.

BT

b3
b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/29/92

[redacted] Date of Birth (DOB) [redacted]
Place of Birth (POB) [redacted] telephone number
[redacted] was advised of the identity of the interviewing
agent and the purpose for the interview [redacted] made
available the following information:

b6
b7C
b7D

[redacted]
[redacted]

b6
b7C
b7D

[redacted] STRAIGHT INCORPORATED is a non-profit organization that provides treatment and care to adolescents in substance abuse treatment programs. The cost of this program to the adolescents and their families is approximately \$13,000 to \$14,000 for an 18 month out-patient treatment program.

b6
b7C
b7D

[redacted] in most cases STRAIGHT required that the parents provide payment for their children prior to entry into the program. STRAIGHT INCORPORATED would then bill the insurance providers directly and receive the payment. Most times, STRAIGHT INCORPORATED failed to notify the parents that they were reimbursed from the insurance company, kept the funds, thereby double billing the consumer.

b6
b7C
b7D

[redacted] STRAIGHT INCORPORATED has facilities throughout the United States and at one time had 12 treatment centers; however, due to financial problems in the organization and in the economy, there are only four centers operating. The Orlando facility was closed approximately one month ago, however, it was opened the next day under the leadership of [redacted] opened SAFE SUBSTANCE ABUSE FAMILY EDUCATION FACILITY at the same place as STRAIGHT

b6
b7C
b7D

Investigation on 11/21/92 at [redacted] File # 196B-0

b6
b7C
b7D

by SA [redacted] rp* Date dictated 11/21/92

196B-TP-28810-3

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 30 1992	
FBI - TAMPA	

CIA [redacted] [signature]

wlc bent

b6
b7C

196B-0

b6
b7C
b7D

Continuation of FD-302 of [REDACTED], On 11/21/92, Page 2

INCORPORATED [REDACTED]
[REDACTED]b6
b7C
b7D

[REDACTED] the volume of the insurance funds to STRAIGHT INCORPORATED is anywhere from \$180,000 to \$350,000 that they maintained without reimbursing to their patients. STRAIGHT has admitted receiving these dollars, however, they used these funds for their operating costs. STRAIGHT has made some payments to some families, although [REDACTED] cannot identify who received reimbursement from STRAIGHT INCORPORATED.

b6
b7C
b7D

[REDACTED] suggested that [REDACTED] be contacted regarding the insurance fraud at this facility. [REDACTED] was concerned about the files at this company due to the fact [REDACTED] believes the company will be terminating its business in December of 1992 [REDACTED]
[REDACTED]

b6
b7C
b7D

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/29/92

[redacted] Date of Birth (DOB) [redacted]
Social Security Account Number (SSAN) [redacted]
[redacted] was advised of the
identity of the interviewing agent and the purpose for the
interview. [redacted] made available the following
information:

[redacted]
[redacted]
[redacted] STRAIGHT INCORPORATED is a health care delivery system
which is countrywide and has approximately 1400 patients. It
does receive some MEDICARE/MEDICAID but predominant funding for
the program is either through the patient's family or their
individual private insurers. The program is only out-patient and
is for treatment of substance abuse in adolescence.

The ownership of STRAIGHT INCORPORATED changed in 1987
when [redacted] purchased the company. Initially,
things did improve, however, within the last year the company was
experiencing a severe cash flow problem. In addition to this
problem, TOM BROKOW of NBC broadcasted a 30 minute section on
television indicating that there was child abuse and patient
abuse at the STRAIGHT treatment facilities.

[redacted] the average cost was \$19,000 per
patient. These funds included after care and tutoring and
education for the patient.

[redacted]
[redacted]
[redacted] the management of STRAIGHT
INCORPORATED was double billing the families. The families would
make payment to STRAIGHT INCORPORATED and then STRAIGHT would
bill the insurance companies. STRAIGHT INCORPORATED did not
refund the \$19,000 to the families.

Investigation on 12/7/92 at [redacted] File # 196B-0

by SA [redacted] rp* Date dictated 12/7/92

96B-TP-28810-4

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 30 1992	
FBI - TAMPA	

cle [redacted] [signature]

wlc sent

b6
b7c

196B-0

Continuation of FD-302 of [REDACTED], On 12/7/92, Page 2

Other individuals involved in the management of STRAIGHT INCORPORATED [REDACTED] were [REDACTED]. In August of 1992, the STRAIGHT INCORPORATED facility in Orlando was shut down and then reopened the following day under the program of SAFE. Although there was no exchange of cash [REDACTED] did open and continues to operate this facility. [REDACTED] opinion that everything but the name is STRAIGHT INCORPORATED.

[REDACTED] not all of the families were aware that STRAIGHT received their insurance payments. The only way they would have gained this information is if their insurance notified them directly. STRAIGHT INCORPORATED would not notify the patient or the patient's family regarding this reimbursement.

[REDACTED] STRAIGHT INCORPORATED is experiencing financial problems and has closed their facilities in California, Texas, Washington, Virginia, Boston and Orlando. [REDACTED] still involved in the management and operations of this facility at the corporate offices in St. Petersburg, Florida. [REDACTED] opinion that this company will terminate it's business on December 31, 1992.

[REDACTED] could be contacted at [REDACTED] resides [REDACTED] address is [REDACTED] can be contacted at [REDACTED] Florida. All of the officers involved in STRAIGHT INCORPORATED have filed for bankruptcy [REDACTED]

[REDACTED] at one time STRAIGHT INCORPORATED was involved in development of a Hispanic bilingual program, whereby they ordered bilingual material and had an invoice stating that they had received approximately \$95,000 worth of equipment. [REDACTED]

196B-0

b6
b7C
b7D

Continuation of FD-302 of [REDACTED], On 12/7/92, Page 3

[REDACTED]

b6
b7C
b7D

Although STRAIGHT INCORPORATED is experiencing financial difficulties, [REDACTED] receiving over \$250,000 in income and the other management are receiving similar levels of income.

b6
b7C
b7D

[REDACTED]
[REDACTED]
[REDACTED] did state that [REDACTED]
are all "big gamblers".

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/1/93

[redacted] Date of Birth (DOB) [redacted]
[redacted] was advised of the identity
of the interviewing agent and the purpose of the interview.
[redacted] made available the following information:

b6
b7C

[redacted]

[redacted] in 1988 there was a "schism" between top management and the philosophy of STRAIGHT, INC. Historically, STRAIGHT, INC. did not take the assignment of insurance on their patients, but rather the patient or their family would make full payment upon entering into the program. When [redacted] assumed control of STRAIGHT, INC. [redacted] incorporated the accounting procedures of the assignment of insurance claims. What this in fact meant, was that a patient's parent or themselves would assign their insurance coverage, that being BLUE CROSS/BLUE SHIELD or any other insurance company payment to STRAIGHT, INC. STRAIGHT, INC. then would bill the insurance company for payment of the treatment provided by STRAIGHT, INC.

b6
b7C

[redacted] because of this change in management philosophy, cashflow became a problem in their operations. It became apparent to him that STRAIGHT, INC. did not have the resources to meet their expenses. At the same time of this change, the administration also expanded their facilities throughout the country. Therefore, STRAIGHT, INC. not only had a reduction in their cashflow, they had increased their expenses causing severe financial problems within the organization.

b6
b7C

[redacted] also discontinued the fundraising which was conducted by the parents of the patients.

b6
b7C

Investigation on 2/9/93 at [redacted] File # 196B-NEW

b6
b7C

by SA [redacted] Date dictated 2/9/93

19WB-TP-28810-5

BTBT BTBT

2000 1 1993

CIA



w/c sent

b6
b7C

196B-NEW

Continuation of FD-302 of _____, On 2/9/93, Page 2

b6
b7C

_____ there was numerous discussions regarding the insurance industry issue and other expenses being incurred by management.

_____ while _____ there was a minimum amount of civil suits filed for credit balances by parents who were not refunded their insurance payments. _____

_____ he does not believe there was any intent to defraud or harm the families of the patients seeking treatment at that program.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/23/93

[redacted] Date of Birth (DOB) [redacted]
[redacted] telephone number [redacted] was advised of the identity
of the interviewing Agent and the purpose for the interview.
[redacted] provided the following information: *CFB*

[redacted]

[redacted]

[redacted] It was the responsibility of the Corporate Headquarters located on Gandy Boulevard, St. Petersburg, Florida, to monitor all of the expenses and accounts for the programs in the United States. The payroll for STRAIGHT, INCORPORATED (STRAIGHT) was completed by ADP of St. Petersburg, Florida.

[redacted]

[redacted] instituted the organizational changes of decentralization into a centralized administrative structure. All local operations were required to report to the Corporate headquarters where administrative responsibilities would be completed.

Investigation on 4/13/93 at [redacted] File # 196B-TP-28810

by SA [redacted] lm Date dictated 4/18/93

196B-TP-28810-6

~~BT~~ ~~BT~~

APR 10 1968

w/c sent

CIA



18

b6
b7C

196B-TP-28810

b6
b7C
b7D

Continuation of FD-302 of [REDACTED], On 4/13/93, Page 2

[REDACTED] the treatment of the adolescents was successful; however, there were problems in the administrative side of the corporation. In 1988, STRAIGHT was making a great deal of money and all of their expenses were paid. Problems began to develop at STRAIGHT due to the following reasons: Losses of numerous lawsuits or settlements from difficulties earlier in the program at STRAIGHT. STRAIGHT had either no insurance or had limited coverage to meet these settlements. As a result of these lawsuits, STRAIGHT suffered negative publicity thereby reducing admissions into the program. Also, the expansion program that was instituted at STRAIGHT placed a demand on the cash flow, and the change of payment received from the clients had negative impact on the cash reserves.

b6
b7C
b7D

STRAIGHT attempted to obtain as much initial payments from the patients as possible. These fees included administration fees, testing, and a monthly fee which varied throughout the country. The remaining balance was to be paid monthly.

The patient or their families were required to submit a downpayment and sign their insurance claims to STRAIGHT.

[REDACTED] never observed a contract [REDACTED]

[REDACTED]

b6
b7C
b7D

[REDACTED]

[REDACTED]

[REDACTED] advised there was never any problem as to the correct account the money would be credited. The problem rests in the fact that the money was never returned to the insured. These funds were utilized by corporate headquarters for operational expenses. It is [REDACTED] belief that it was a corporate decision to maintain these funds in their account as long as possible.

b6
b7C
b7D

In late 1990, the cash flow problems at STRAIGHT became quite severe. Vendors were asking for their money, bills were piling up while the programs were failing throughout the country. Telephone bills and utilities, to include the food for patients, could not be paid. Despite these factors, the managers continued to maintain a "high level of living," utilizing the business

196B-TP-28810

b6
b7C
b7D

Continuation of FD-302 of [REDACTED], On 4/13/93, Page 3

credit cards for personal expenses, to include travel and dinners.

[REDACTED]

b6
b7C
b7D

[REDACTED]

b6
b7C
b7D

[REDACTED] top management were utilizing these cards for travel expenses to include trips to Las Vegas and California. [REDACTED]

b6
b7C
b7D

In addition to the utilization of the credit cards, top management continued to receive high salaries and bonuses for their work despite the fact the programs were failing.

[REDACTED] initially STRAIGHT had ten programs operating and fourteen satellite offices throughout the United States. [REDACTED] believes that all of these programs are closed with the exception of the Atlanta, Georgia program. The Orlando program was purchased by [REDACTED] and the name was changed to SAFE.

b6
b7C
b7D

[REDACTED] when [REDACTED] there was hundreds of thousands of dollars that was due to patients. The patient and their family would only be refunded their money if they "screamed loud enough." It was managements intention, according to [REDACTED] that when things did improve, they would pay back the insurers their insurance money.

b6
b7C
b7D

[REDACTED] was the individual that decided who and what bills were paid [REDACTED] also

196B-TP-28810

Continuation of FD-302 of [REDACTED], On 4/13/93, Page 4

b6
b7C
b7D

informed the local programs that they were not to give the address or telephone numbers of Corporate headquarters to the insurers or the clients [REDACTED] did this in an effort to avoid numerous requests for reimbursement of their insurance premiums.

[REDACTED]
[REDACTED] felt that STRAIGHT was taking advantage of the patients and their families at a very vulnerable time.

It is the opinion of [REDACTED]
[REDACTED] were aware of everything that occurred at STRAIGHT and also [REDACTED] had knowledge of the activities.

b6
b7C
b7D

Memorandum



To : SAC, TAMPA (196B-TP-28810) (PRA) (C) ⁴ Date 5/20/93

From : SA

Subject:

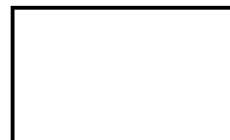
STRAIGHT, INC.,
GANDY BOULEVARD,
ST. PETERSBURG, FLORIDA;
FBW - INSURANCE
OO: TAMPA

The purpose of this memo is to request that the above file be closed under file #196B-TP-28810 and be reopened under the classification of a 209B case.

2 - Tampa
CB/bt
(1)

209B-TP-28810-7
BT BT
re-class
O+A
209B-TP-
4D

209B-TP-28810-7
BT BT



b6
b7C

b6
b7C

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.)
THE TAMPA TRIBUNE
TAMPA, FL

Date: 5/6/93
 Edition:

Title:

Character:
 or
 Classification:
 Submitting Office:
TAMPA

Indexing:

FBI seeks dope on fraud claims at rehab center

Three people with ties to Straight Inc. say they have been contacted by the federal agency.

By ANNMARIE SANSFIELD
 Tribune Staff Writer

ST. PETERSBURG — A former client and staff member of Straight Inc. says the FBI is investigating allegations of insurance fraud at the drug rehabilitation program.

Two parents of former clients say they, too, were contacted this week by an FBI agent and asked for details about alleged double- and triple-billing by Straight, a national program headquartered in St. Petersburg.

Straight uses intensive peer pressure and a 12-step program similar to Alcoholics Anonymous to rehabilitate adolescent drug users, according to an organization brochure.

The program, which closed its St. Petersburg treatment center about two weeks ago, has been praised by some for saving lives and successfully sued by others who alleged physical abuse.

Straight also is being investigated by the state, but a spokeswoman for the Department of Health and Rehabilitative Services would not provide details.

As a matter of policy, the FBI won't confirm or deny any possible investigations, said Brian Kensel, an FBI spokesman in Tampa. Officials at Straight Inc. did not return repeated telephone calls.

Richard Bradbury of Tampa, the former client and founder of an activist group against Straight, said he was shocked to receive the FBI's call. His group has tried for years to prompt an investigation, he said.

Bradbury, scheduled to meet with an FBI agent Friday, said Straight charged for services not rendered and double- and triple-charged for other items.

For example, Bradbury said, clients in the program write daily progress reports on other clients. Then, a staff member — often a person whose only qualification is having completed the Straight program — tallies the recommendations to determine whether the client deserves to have additional privileges or move to the next phase of treatment.

Bradbury has client bills showing charges of thousands of dollars for a "daily intensive group therapy" conducted by clients. Although the bills have an attending physician listed, Bradbury said no physicians are involved in the sessions.

Bradbury also said peers, not a doctor, do the \$300 initial evaluation.

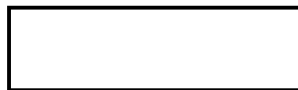
Fees paid by parents can range from \$10,000 to \$14,000 a year, he said, and Straight later bills insurance companies for many of the same services.

Barbara Segraves, whose son was in the program from 1989 to 1990, said Straight charged her \$450 a month to cover the cost of her son staying in a host home. The clients attend the day program at the Straight treatment center, then spend nights with other clients' families.

For her efforts as a host, Segraves said, "I didn't get a cent." At that time, host parents were supposed to receive \$7 a day for each child staying in their home, she said.

Segraves said she also will meet Friday with an FBI agent.

Dee Edwards, whose son was in the program from 1990 to 1991, said she'll meet with the FBI this week.



PRA

b6
 b7c

20913
 196B-TP-28810-8

SEARCHED	INDEXED
SERIALIZED	FILED
MAY 12 1993	
FBI TAMPA	

CM

MANUAL SEARCH

b6
 b7c
 FBI/DOJ

(Mount Clipping in Space Below)

Critics say Straight Inc. target of fraud investigation

By CURTIS KRUEGER
Times Staff Writer

ST. PETERSBURG — The controversial drug treatment program Straight Inc., which may be preparing to close its national headquarters here, is being investigated by the FBI for possible insurance fraud, say two critics of the program.

Richard Bradbury, a former Straight client and staff member, and Barbara Segraves, the mother of a former client, said they had been questioned by the FBI. Both said the questions were related to insurance fraud.

Bradbury, who has formed a network of former clients and others who oppose Straight, said he was to meet with the FBI

today. He said he was asked "to bring the documentation and other information related to insurance fraud."

Bradbury contends the organization bills people for doctor-supervised therapy when doctors actually haven't been present.

Mrs. Segraves, whose son was in the program in 1989 and 1990, said she acted as a host mother, allowing other clients to stay in her home. However, she said she was not paid as promised. She estimated the cost of her son's treatment at about \$10,000 and said he has needed additional counseling to get over the humiliating treatment he received.

Larry Curtin, special agent in the FBI's

Tampa division, would not confirm or deny an investigation.

At the organization's national headquarters in St. Petersburg, a woman who answered the phone Thursday said the office was closing soon. She declined to give her name. The organization's sign had been taken down and a "for sale" sign was posted.

Wesley Pennington, president of Straight, at first denied that the national office would be closing.

After being told that a staff member had said otherwise, he said, "Well, then, take your lead from them." He declined to comment further.

Last week, Straight closed its St. Pe-

tersburg area office, which had the capacity for 100 clients but had only 16.

Straight has won national acclaim, as well as national controversy, because of its methods. Nancy Reagan, former President George Bush, former Dallas Cowboys quarterback Roger Staubach and psychologist Joyce Brothers have promoted the program, which operates on the theory that drug-dependent youths need to get into a drug-free environment and experience peer pressure to stay off drugs.

But critics say the organization has relied on abusive methods that included the humiliation of clients, and that some of the adolescents in the program were struck by staff.

(Indicate page, name of newspaper, city and state.)

ST. PETE TIMES
ST. PETE, FL

Date: 5/7/93
Edition:

Title:

Character:
or
Classification:
Submitting Office:
TAMPA

Indexing:

b6
b7c

209B-
196B-7P-38810-9

SEARCHED	INDEXED
SERIALIZED	FILED
MAY 12 1993	
TAMPA CM	

C/A

AUTOMATED INDEX SEARCH *POD 24*
MANUAL SEARCH _____

FBI/DOJ

The program has run into problems with regulatory officials in several states. In Florida, the state Department of Health and Rehabilitative Services is investigating Straight.

Virginia officials announced in 1991 that they would not renew a Straight center's license because the program allegedly had failed to provide proper education, had allowed clients to be improperly restrained and had made mistakes in evaluating client progress. So the center moved to Maryland, and then closed last year.

Despite the controversy over its methods, Straight officials have consistently blamed the economy for declining enrollment.

209
196 B-TP 28810-10
SEARCHED INDEXED
SERIALIZED BT FILED BT
MAY 21 1993

w/c sent

C/A



FLS

b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/21/93

[redacted] Date of Birth (DOB) [redacted]
white female, Place of Birth (POB) [redacted]
Social Security Account Number (SSAN) [redacted], address [redacted]

b6
b7C
b7D

[redacted] was advised of the identity of the interviewing Agent and the purpose for the interview [redacted] provided the following information:

[redacted] became involved with
STRAIGHT INCORPORATED (STRAIGHT) [redacted]
[redacted] was admitted into the
STRAIGHT program [redacted] remained at this facility until [redacted]
[redacted] when [redacted] withdrew him from the program. [redacted]
[redacted] was referred to STRAIGHT by her Pediatrician [redacted]

b6
b7C
b7D

[redacted] could not recall specific details of the initial interview because of her "state of mind" at the time she was admitting her son to the program. She does recall that upon entering the program she was immediately separated from her son and later learned that he was removed from the grounds even before she executed the admissions papers [redacted] initial interview was with [redacted] of STRAIGHT. A drug screening or test was conducted; however [redacted] had to "fight for the results." Eventually [redacted] obtained possession of the drug test which indicated there was no drugs in her son's system upon admission into the STRAIGHT program [redacted] had no contact with her son for four months following [redacted]

b6
b7C
b7D

[redacted] advised that her son suffered various abuses and problems while in STRAIGHT. [redacted]

b6
b7C
b7D

[redacted] Although [redacted] attempted to keep her son in school by doing the homework and other projects, STRAIGHT personnel informed her to withdraw from public [redacted]

Investigation on 5/6/93

at [redacted]

File #

209
196B-TP-28810-10b6
b7C
b7Dby SA [redacted] lm Date dictated 5/12/93

196B-TP-28810

b6
b7C
b7D

Continuation of FD-302 of _____, On 5/6/93, Page 2

school system _____
_____b6
b7C
b7D

_____ did have medical coverage and health insurance for her son through _____. _____ could not state what the actual cost of the program was because the charges were always changing. She was never informed of the host home fees upon admission into the program. On one occasion when she was a week late on the host home fees her son was not allowed to eat.

_____ has been in contact with _____ who did win one lawsuit against STRAIGHT; however, according to _____ has been told by other lawyers not to handle any more suits against STRAIGHT. It is the opinion of _____ that this occurred and no one is addressing the problems of STRAIGHT because it is owned by "big totem poles" to include various attorneys, wealthy individuals, and judges in Pinellas County.

b6
b7C
b7D

_____ made available a copy of _____ to the investigative Agent.

b6
b7C
b7D

_____ had no interaction with the corporate headquarters. All interactions with STRAIGHT had to go through the chain of command, which included the program ~~that your child~~ *when your child was receiving treatment.* was admitted.

b6
b7C
b7D

In reference to insurance coverage, _____ realized that the coverage or bills being sent to _____ *then the bills* were different in the amounts ~~that were~~ coming to her. On numerous occasions she attempted to get copies of the bills and explanations of the services, however, ~~this~~ *she* was unsuccessful. _____ did later learn that BLUE CROSS/BLUE SHIELD was only willing to make payment for services outside of STRAIGHT, to include _____

b6
b7C
b7D

196B-TP-28810

Continuation of FD-302 of [REDACTED], On 5/6/93, Page 3

b6
b7C
b7D

[REDACTED]
[REDACTED] believed that she did execute government insurance documents during the initial interview with [REDACTED]. To date, [REDACTED] ~~does~~ owe STRAIGHT [REDACTED].

[REDACTED] advised that ^{by} one of the charges submitted by STRAIGHT there was a charge from a [REDACTED] [REDACTED] for a complete evaluation of [REDACTED] while he was at STRAIGHT. [REDACTED] advised that they did go to [REDACTED] after he was released from STRAIGHT [REDACTED]. At no time did her son see, nor was he evaluated by, a [REDACTED] while a client at STRAIGHT.

b6
b7C
b7D

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/21/93

[redacted] white female, Date of Birth (DOB) [redacted]
[redacted] Place of Birth (POB) [redacted] Social Security [redacted]
[redacted] was advised of *CAB*
the identity of the interviewing Agent and the purpose for the
interview.

b6
b7C
b7D

[redacted] became involved in STRAIGHT
INCORPORATED (STRAIGHT) when [redacted] was
admitted into the program in [redacted]

b6
b7C
b7D

[redacted] who admitted [redacted]
into the program, had promised their family a scholarship to the
program because they were unable to meet the cost of care for
[redacted] did attend the initial interview with [redacted]
[redacted] when [redacted] was being admitted into the
program.

b6
b7C
b7D

[redacted] STRAIGHT FOUNDATION INCORPORATED
is the holding company for STRAIGHT. STRAIGHT FOUNDATION
possesses the assets, while STRAIGHT has the liabilities of the
group.

b6
b7C
b7D

[redacted] when STRAIGHT closed their
Maryland office they simply vacated the premises and left the
files and the office in disarray [redacted]
believes the STRAIGHT office in Houston, Texas was closed because
of insurance fraud [redacted] would make available
to the investigating Agent a copy of the STRAIGHT television
investigative report, which highlights the various allegations

b6
b7C
b7D

Investigation on 5/5/93 at [redacted] File # 196B-TP-28810

b6
b7C
b7D

by SA [redacted] lm Date dictated 5/12/93

209
ALB TP 28810-11
SEARCHED INDEXED
SERIALIZED BTJ FILED BTJ
MAY 21 1991

C/A
w/c sent



KS

b6
b7c

196B-TP-28810

b6
b7C
b7D

Continuation of FD-302 of , On 5/5/93, Page 2

against the management, and other individuals employed at
STRAIGHT in reference to insurance fraud and physical abuse of
the clients.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/21/93

[redacted] white female, Date of Birth (DOB) [redacted]
[redacted] Place of Birth (POB) [redacted] Social Security
Account Number (SSAN) [redacted] address [redacted]
[redacted] was advised of the identity of the
interviewing Agent and the purpose for the interview. [redacted]
then made available the following information:

[redacted]
[redacted]
[redacted] became involved in STRAIGHT
INCORPORATED (STRAIGHT) in [redacted] when she admitted her son
[redacted] to the program for drug abuse [redacted]
"beside herself" with the behavior of her son and his drug usage,
thereby creating a "desperate situation for herself." In
response to this [redacted]
travelled to STRAIGHT with [redacted] to admit him into the
program. During the course of the initial interview with [redacted]
[redacted] she was required to put a downpayment of \$4,000. [redacted]
[redacted] informed [redacted] at
this time that she had no insurance and would need financial
assistance in the cost of treatment for her son. [redacted] advised
that there was scholarship programs supported by different
corporations to include FLORIDA POWER and GENERAL ELECTRIC, which
was to assist disadvantage families in obtaining care at
STRAIGHT. [redacted] does recall signing numerous documents during
this interview with [redacted] but she cannot recall specific details.
She does recall the \$4,000 downpayment was to be applied for drug
testing for [redacted] Testing was done to determine
what drugs were being utilized by her son and how much damage to
his body had occurred. Approximately thirty to sixty days after
the initial admission [redacted] began to receive bills directly
from ALLIED DRUG LAB for the testing of her son. [redacted] could
not understand why she was receiving these bills because she
believed that they should have been covered in the cost of the

Investigation on 5/5/93 at [redacted] File # 196B-TP-28810

by SA [redacted] lm Date dictated 5/12/93

209

196B TP 28810-12

SEARCHED INDEXED
SERIALIZED BT FILED BT

MAY 21 1993

C/A



CPA

[Handwritten signature]

w/c sent

b6
b7C

196B-TP-28810

Continuation of FD-302 of [REDACTED], On 5/5/93, Page 2

b6
b7C
b7D

\$4,000 downpayment at STRAIGHT. In addition to these costs, the testing was not done upon the admission of her son into the program, but rather approximately sixty days later [REDACTED] was never informed as to why it took two months to test her son.

Throughout this period [REDACTED] continually contacted [REDACTED] regarding the scholarships available for treatment. Eventually [REDACTED] informed [REDACTED] that there were no scholarships available for her son.

[REDACTED] most of her contact was with [REDACTED]. The parents were not allowed to contact the corporate headquarters or the corporate building directly [REDACTED] knows that [REDACTED] were part of the headquarters management team; however, she had no contact with them.

b6
b7C
b7Db6
b7C
b7D

[REDACTED] at no time was she told that the cost of care at the program. There was the initial payment of \$4,000 and then a monthly fee which, upon admission, did not mention a host family fee. This fee was for the cost of housing her child in a home other than her own. [REDACTED]

b6
b7C
b7D

[REDACTED] although STRAIGHT was aware of the fact that she did not have insurance or the finances to pay for this treatment, they continued to bill her for housing, treatment, and drug testing [REDACTED] had no information regarding [REDACTED] and again reiterated the parents were not allowed to have contact with the corporate office.

b6
b7C
b7D

196B-TP-28810

b6
b7C
b7DContinuation of FD-302 of _____, On 5/5/93, Page 3

After removing her son from the program _____
determined that this program was not what it appeared to be,

b6
b7C
b7D

_____ does recall dealing with _____
regarding the financing arrangements for the cost of her son's
care. _____ had obtained the bills which were outstanding for
_____ and telephonically contacted _____ to come
into the STRAIGHT office to discuss these bills. _____ did
travel to STRAIGHT on Gandy Boulevard and had a discussion with
_____. During this discussion _____ informed _____ that
he was not running a free meal ticket for indigent parents.
_____ informed _____ that she was promised a scholarship
whereby _____ stated there was no such program. At this point,
_____ did pull him up and across the table in frustration of
what he was saying and the treatment regarding her ability to
pay. _____ then called _____ a "bitch and stupid." At this
point _____ felt it would be better if she left the office,
thereby exiting _____ office, she then "grabbed her son from
the program and took him home."

b6
b7C
b7D

- 1 -

The following investigation was conducted by Special Agent [redacted] on April 28, 1993, in Clearwater, Florida:

b6
b7C

[redacted] telephone number (904) 488-1225, Department of Health and Rehabilitation Services, Tallahassee, Florida, advised he is currently involved in a state investigation targeting STRAIGHT, INCORPORATED of St. Petersburg, Florida. The focus of [redacted] investigation is allegations of child abuse, licensing procedures, and other drug rehabilitation treatment procedures forwarded by STRAIGHT, INCORPORATED. [redacted] stated that although his department is not investigating any areas of insurance fraud, he has been told by individuals that this did occur at STRAIGHT, INCORPORATED.

[redacted] provided the following names and telephone numbers of individuals who may have information regarding the insurance fraud at STRAIGHT, INCORPORATED:

b6
b7C

1. [redacted]
Telephone number: [redacted]

Had a son in the program in Orlando, Florida and the insurance company paid 100 percent of the treatment costs. [redacted] did make a cash payment to STRAIGHT, INCORPORATED, however, she was not reimbursed.

b6
b7C

2. [redacted]
Telephone number: [redacted]

3. [redacted] Family
Mother: First Name Unknown [redacted]
Son: [redacted]

[redacted] was in the facility and has documents regarding possible insurance fraud. She can be reached at telephone number [redacted]

b6
b7C

4. [redacted]
Telephone number: [redacted]

5. [redacted]
Telephone number: [redacted]

209
196 B-TP-28810-13
BT BT

wlc sent

CIA

b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/20/93

[redacted] white male. Date of Birth (DOB) [redacted]
[redacted] Place of Birth (POB) [redacted]
Social Security Account Number (SSAN) [redacted] home address [redacted]
[redacted] telephone number [redacted]

b6
b7C
b7D

was advised of the identity of the interviewing Agent and the purpose for the interview. Also present during this interview was [redacted]

[redacted] then provided the following information:

[redacted] first became acquainted with STRAIGHT, INCORPORATED when he was [redacted] years old and was admitted as a client into the facility. At this time [redacted] was in the program and he believed that he was going to a counselling session with the family when he was admitted into the program [redacted]

b6
b7C
b7D

[redacted] informed him that "STRAIGHT INCORPORATED was actually a cult." Because of these problems, and [redacted] information [redacted]

[redacted] upon his admission, his parents were told that if he did not accept admittance into STRAIGHT INCORPORATED [redacted] would be dismissed from the program.

b6
b7C
b7D

Investigation on 5/7/93 at Clearwater, Florida File # 196B-TP-28810

by SA [redacted] lm Date dictated 5/14/93

b6
b7C

209
146B-TP-288D-14
BT BT

wlc sent CIA *AB*

b6
b7c

196B-TP-28810

b6
b7C
b7D

Continuation of FD-302 of _____, On 5/7/93, Page 2

Clients in the facility are responsible for doing "everything" at STRAIGHT INCORPORATED. The sessions last all day, and they are sometimes only fed peanut butter sandwiches.

b6
b7C
b7D

_____ primary focus has been on the physical abuse suffered by the clients of STRAIGHT INCORPORATED. During his involvement in this activity, _____ did discover evidence of insurance fraud on the part of STRAIGHT INCORPORATED.

_____ the cost varied among families and there is no set policy regarding the cost of care. Parents are required to pay entry fees and host family fees. STRAIGHT does retain all the funds at corporate headquarters _____

b6
b7C
b7D

_____ STRAIGHT INCORPORATED developed after the closure of a drug program identified as "SEED". On October 13, 1989, the foundation for STRAIGHT INCORPORATED was dissolved. The financial operation of STRAIGHT INCORPORATED utilized C&S BANK in St. Petersburg, Florida. STRAIGHT FOUNDATION was a holding company which maintained the assets, and STRAIGHT INCORPORATED was involved with the program and the clients. _____ was the National Executive, and _____ was the Comptroller for STRAIGHT INCORPORATED. STRAIGHT INCORPORATED is also known as STRAIGHT NATIONAL CORPORATION, and their assets are held by the STRAIGHT FOUNDATION. _____

b6
b7C
b7D

_____ loaned STRAIGHT INCORPORATED \$50,000 in 1992. Also involved in the STRAIGHT FOUNDATION is _____ and _____

_____ has no contact with the headquarters of STRAIGHT INCORPORATED.

b6
b7C
b7D

_____ STRAIGHT is not a BLUE CROSS/BLUE SHIELD provider. Many times STRAIGHT would bill an insurance company when the clients were not treated by a trained or

196B-TP-28810

Continuation of FD-302 of _____, On 5/7/93, Page 3

b6
b7C
b7D

licensed practitioner. The treatment was administered by clients in the program and letters signed by psychiatrists and social workers who did not treat the clients. [redacted] did provide handwritten notes of former clients which he had obtained from the trash in Orlando, which were utilized to evaluate the client.

Upon admission, STRAIGHT administrators would inform the parents of the clients that they were BLUE CROSS/BLUE SHIELD providers and JACHO accredited. [redacted] STRAIGHT INCORPORATED was not licensed for psychological treatment, but rather drug and alcohol or substance abuse problems.

b6
b7C
b7D

The Orlando, Florida program of STRAIGHT has recently been converted to SAFE.

[redacted] located at telephone [redacted] and [redacted] telephone number [redacted] should be contacted regarding allegations of insurance fraud. Individuals who have information regarding insurance fraud are [redacted]

[redacted]

b6
b7C
b7D

File - Serial Charge Out
FD-5 (Rev. 10-13-89)

Date 6-29-93

File 209B TP 28810
Class. Office of Origin Case No. Last Serial

☐ Pending ☐ Closed

Serial No.	Description of Serial	Date Charged
15	Maintain in sub B file for news clips.	6-29-93



b6
b7C

RECHARGE

Date _____

To _____ From _____

Initials of Clerk

{ _____

_____ }

Date

{ _____

_____ }

Date charged _____

Employee _____

Location _____

STRAIGHT TALK

Newsletter of the STRAIGHT / Tampa Bay Parent Booster Club

FEBRUARY 1989

NEWS FROM THE ADMINISTRATOR

Hello, and best wishes for 1989 to all of you.

First of all, we have our Jacksonville Family Service Center office fully operational now that our FSC Manager, Mr. Roger Gref, is fully trained and on-site at the 9140 Golfside Drive location. This Baymeadows Area office will serve as our Jacksonville referral center and will also serve as the weekly evening meeting location for the Greater Jacksonville Parents. The new local telephone number in Jacksonville is (904) 733-0039.

Next, we will continue to spread the word on STRAIGHT via the TV media. BLAB TV, the Pinellas County Cable call-in talk show, has been selected for a thirteen week term beginning Thursday, February 9th, at 9:00 to 10:00 PM, and each Thursday thereafter through May 4th. BLAB TV broadcasts on Paragon Cable Channel 9 and Vision Cable Channel 5. This is a Community Advisory Board project and we need your help, too. (cont. to page 2)

SIBLING RAP GETTING BETTER

Evie Pijanowski reports that Sibling Rap is looking for people and ideas to help make a great program for the siblings. Because of the wide age difference between the children who participate in this rap, a variety of rap topics and activities need to be made available. If you have skills or activities you would be willing to share at the sibling rap, please contact Evie.

DIME THEREPY LIST PUBLISHED

Jeanie Tondreault has graciously assumed the responsibility for maintaining and printing a Dime Therapy list for parents. Please be sure to put your name on the list and keep the information current. This list is great for support phone calls - to make and to receive. Use it often. You can get a list at the front desk or at the Monday and Friday meetings.

BINGO NEEDS SUPPORT

Bingo is vital to the support of Straight. It needs and deserves support from each Straight family. A copy of the new teams has been distributed and can be obtained from the front desk. If you have questions about your team or obligations, please contact your team captain.

If, for any reason, you cannot show up for your scheduled days, you must make sure you arrange to trade with another parent. It is your responsibility to make these arrangements. Parents who fail to follow the established Bingo procedure will be started over in the required raps to obtain Second Phase.

BE GRATEFUL.....

When you arise in the morning, give thanks for the morning light. Give thanks for your life and strength. Give thanks for your food, and give thanks for the joy of living. And if perchance you see no reason to give thanks, rest assured the fault is in yourself.

Wabasha, Chief of Santee
Sioux

continued from page 1

HOST HOME SUPPORT

Host Home Support Committee

This parent group is designed to offset expenses that are incurred by each of our host homes on behalf of our kids. It supports First Phase and Phase Review clients only. At this time, host homes supporting children in Second Phase and above are responsible for contacting parents of those children directly.

A host home table is being staffed by parents at the STRAIGHT meetings every Monday and Friday to collect gift certificates and Host Home sheets. Parents of children on First Phase or Phase Review are obligated to bring gift certificates in the amount of \$7.00 per night for each day the child is in a host home. These are turned in to the Host Home Support table at the meeting and are then forwarded to the appropriate host home.

When children on Second Phase and above are sent to a host home, the parents of these children should be responsible for giving the money or gift certificates directly to the host home parent.

We will be inviting parents, kids and Community Advisory Board Members to appear on these live shows.

Ms. Betty Sembler has already accepted our invitation to appear on the initial show on February 9th. Dr. G. Dematte will appear on February 16th, Susan and Terry Brimmer on February 23rd, and Pat List on March 2nd. We will be asking for more guests on the subsequent shows. Please call me if you can help us in any way on this special community awareness project.

Then too, we thank all of the parents, staff, and Community Advisory Board Members who helped make the HSN Christmas Eve Telethon, the J.C. Penney Golf Classic, and the P. Buckley Moss Art Gala all very successful for STRAIGHT. The extra time, efforts and commitment on these special projects truly reflects your dedication to the success of our Program.

Love ya, JFH

TOUGH LOVE GROUPS SUPPLEMENT STRAIGHT

Tough Love is a parent support groups that meets at various places, usually in churches, in Tampa and St. Pete. One meeting is at St. John's Episcopal Church in Hyde Park on Tuesday evenings at 7:30. The meeting usually lasts two hours. This is a time when parents can share experiences and problem-solving techniques. Literature and audiovisual aids are available from the group.

A POEM By Gwen Coleman

I look and see behind my eyes
that navy blue mass
Speckled with silver and gold But
I am told so little.
Yet a small overpowering voice
screams from my gut
that this is where I belong. And
I believe it. I wonder
What I will find.
And how far goes my mind.
Will I go away and touch my wish
Find the place of my desire
To discover what is unknown
And grown so.

By Patti and Larry Barnes

RELAPSE

When our family commenced the Straight Program, we left the building hoping we would be part of the 60 percent who stayed straight. We had been an active family and spent nearly a year in those blue chairs.

My husband and I continued to work on ourselves after we commenced by remaining active Straight alumni and by attending Alanon meetings. But Larry Jr. relapsed. After a period of time when his problems grew worse, Larry decided to return to Straight. We met this request with enthusiasm and support but we were cautious. Realizing that I had been an enabler to Larry in the past, we decided that this time Larry's decision and hard work would have to take him through the program. We decided it was best for Larry to make the sacrifice of hosting out and living out of a suitcase instead of living comfortably at home with a mother who wanted to make everything perfect, including the perfect host home. Larry had taken a lot of pride in his host home the first time he came through the program. When Larry came through the program the first time, I remember how

relieved we were to have this great kid home and we probably overdid everything. I wanted to be a strong host mom. But this time, Larry's pride would need to come from his own efforts, without the host home.

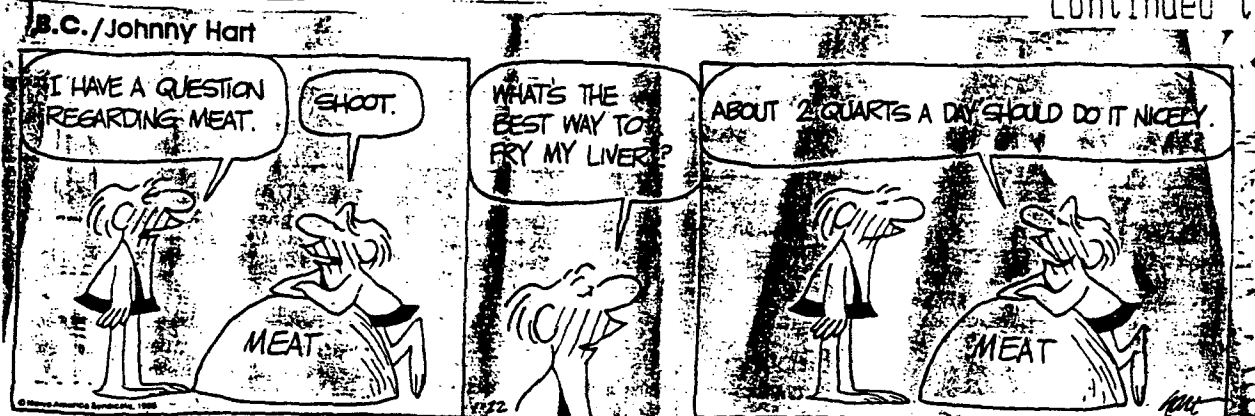
I think I might have insight about how program graduates feel when they come back. It really strengthens your program and enthusiasm when you come back to Straight and give out to others. It helps to remind you of where you have been and the mistakes you made the first time around. Now you have a second chance. I have met a new set of friends and the numbers are constantly growing as the kids enter aftercare.

We have all heard that relapse is part of the disease, but it may also be part of the cure.

SPEAKERS' BUREAU, AT WORK

The Speakers' Bureau consists of about 20 parents who will take one or two phasers into the community to tell about Straight; how unmanagable our family lives had become; and how things are going now. The parent will introduce the background of

continued to page 4



continued from page 3

Straight and the kids. The kids do most of the talking (about 20 to 30 minutes of presentation.) Most audiences have many questions. These presentations can help other parents identify problems in their own families.

We speak to churches, Sunday school classes, middle and high schools, service clubs (Rotary, Sertoma, Kiwanis, etc.) businesses, colleges, homeowners' associations, or small groups of neighbors in our homes.

The parent group is the number one referral source for future clients and also a source of information to parents about some of the signs of drug use in their children.

The speaking engagement that came to my service club meant very much to me. A client was telling about behaviorial patterns very similar to our son. About one month after hearing about Straight at this meeting, we entered treatment.

Some future speaking engagements are Girl Scouts, Shore Crest Parent Association, Rotary Club, T.V. Stations, and a church. Many schools are still in demand.

I encourage any parent wanting to be on the Speakers' Bureau to see Teri Hellmer or myself. All parents are encouraged to arrange speaking engagements for the bureau, even if you don't feel like speaking right now.

Terry Brimmer
Addiction is like a coiled serpent which strikes with such ferocity it leaves the victim powerless.

"Life is what happens while you're making other plans."

PARENTS' WEEKEND

Page 4

"To Thine Ownself

Be True"

By Janice Dashler

The first big issue to come up for me was priorities. Should I take time off from work to attend a Parent Weekend? I needed the money from my Saturday Part Time Job but I needed to attend the Parent Weekend. I had just opened my host home and was full of fear about whether I'd be able to handle it. This was a good motivating force to attend the required Parent Weekend. I had heard plenty of ominous sounding comments about Parent Weekend and asking for further information was told, "You have to go to find out. It's a secret." This only made the event sound more scary to me.

I decided to go with an open mind, see what I could learn and take some risks. So the first night, I wasn't surprised about the things we were asked to do. I decided to try and be the best participant I could be. Saturday was a long, hard day and I worked on my attitude about family and personal issues. I was tired when I got home Saturday night and my head was buzzing with all that had happened. Sunday was easier for me. Now I knew what to expect.

Don't get irritated about not knowing what parent weekend is. You will grow and learn much about yourself and issues that your family needs to deal with. Leave yourself free to devote all of yourself to this growing experience.

You will learn some humility, dig into your feelings, awareness, see what pushes your buttons and appreciate the program you've invested yourself in. Your love and respect for your kid will grow.

209B-TP-28810-16

BT BT

JUN 17 1993

CIF



[Handwritten signature]

b6
b7C

STRAIGHT, INC.

DIME THERAPY LIST

NAME

PHONE

SEX

PHASE

Girl	1
Boy	5
Boy	5
Girl	1
Girl	4
Boy	7
Boys	1
Boys	5 & 7
Boy	1
Girl	4
Boy	1
Girl	2
Boy	2
Girl	3
Girl	7
Girl	5
Girl	3
Boy	1
Boy	1
Girl	1
Boy	1
Boy	1
Boy	2
Girl	5
Boy	1
Girl	1
Girl	1
Girl	2
Boy	5
Boy	5
Boy	1
Boy	2
Boy	5
Boy	2
Boy	4
Boy	4
Boys	1
Girl	1
Boy	1
Girl	2
Boy	1
Girl	5
Girl	3
Boy	1
Boy	1
Boy	3
Boy	1
Boy	5
Girl	1
Girl	3
Boy	1
Boy	5

b6
b7C

STRAIGHT, INC.

DIME THERAPY LIST

NAME

PHONE

SEX

PHASE

Girl	2
Girl	1
Girl	4
Boy	1
Girl	3
Girl	2
Girl	1
Boy	2
Girl	3
Boy	1
Girl	3
Boy	1
Girl	3
Boy	2
Girl	1
Boy	3
Girl	1
Boy	1
Girl	3
Boy	2
Girl	2

b6
b7c



Black shoes

b6
b7C

Community Improvement, Inc.

A Non-Profit Organization

104 E. Fowler Ave.

Tampa, FL 33612

NATIONAL SUPPORT GROUP NETWORK FOR VICTIMS OF STRAIGHT

Dear Friends:

5/24/91

The National Support Group Network for Victims of Straight has several important announcements which we feel will be of benefit to you:

1) On June 05, 1991 at 7:00 p.m. at our headquarters address, 104 East Fowler Avenue, Suite 203, in Tampa, (see enclosed map), Linda Vester of Channel 8 News will be interviewing families including parents, former clients, siblings, and others about their experiences with the Straight Organization and at the Straight Facility.

It is very important that you and/or your family attend this media event; this way we can inform the general public of the abuses which take place at the Straight Facility; by so doing, we hope to prevent others from suffering the effects of abuse. Also, we hope to eventually stop the free flow of income Straight receives from its victims through its dangerous and deceptive methods.

Please contact our office by phone preferably before June 04, 1991[(813)-931-8028] so we can arrange to have adequate seating available. If a representative from the support group is unavailable, please leave your name and telephone number so we may contact you. If you wish to speak to the media but would prefer to remain anonymous, the reporters will see to it that your face is "blackened out" and your voice altered during taping.

2) On June 26, 1991, at 7:00p.m. we will have attorney Karen Barnett speak at our headquarters. Ms. Barnett will be speaking to our support group to give us an overview of our legal rights as they relate to Straight and the abuses which took place there. This meeting will be free of charge, R.S.V.P. Please understand Ms. Barnett will not be able to answer specific questions on specific cases; however, she should be able to give general answers and guidance which will be beneficial to the whole group. Also understand she will not be here to solicit clients; she is doing this as a service to us.

3) We are attempting to establish a committee of 5-6 people (former clients, parents, or siblings) in every county in which a Straight was or is located. This would allow us to hold support group meetings and provide necessary services to any who feels they need help or guidance to deal with the effects of Straight's abuse. For more information, you may visit or call our office as indicated above.



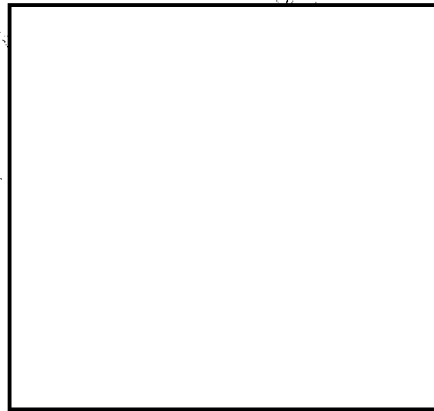
- 4) If you are one of the families against which Straight has filed a lawsuit and are requiring legal services, but are unable to afford such services because of a financial situation, you may contact Gulf Coast Legal Services located in Pinellas County. Their telephone number is (Clearwater 813-443-0657, St.Pete 813-821-0765).
- 5) The National Support Group Network for Victims of Straight has a monthly operating budget of \$240.00 or a yearly total of \$2,880.00. We would greatly appreciate your financial assistance in our fight against Straight. We have sustained the organization thus far on voluntary donations from individuals; however, with your help, we could offer a wider range of services and benefits. We recently completed the documentation necessary to be a tax-exempt organization; therefore, your donation is tax-deductible. All of our staff and administrators are volunteers. This allows your full contribution to go directly to services we can offer you. Such services include abuse investigations, support group meetings, consultations with professional counselors, legal research, mailings, and other services, all of which are available for you as you request them. If you desire to help us financially, please make your check payable to: Community Improvement, Inc., c/o National Support Group Network for Victims of Straight, 104 East Fowler Avenue, Suite #203, Tampa, Florida 33612. If you would like more detailed financial information, please feel free to contact our office.

Once again thank you for your support in our fight against the dangerous and powerful Straight organization. Please help us as we strive to protect future generations from abuse at the hands of this reprehensible, incompetent organization.

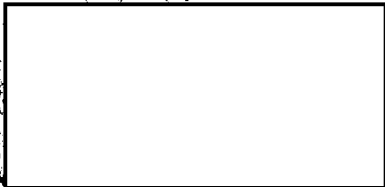
Community Improvement, Inc.
National Support Group
Network for Victims of Straight

talked to

at



xt.



b6
b7C

August 22, 1989

ST. PETERSBURG TIMES

tampa bay AND

Roast diplomat

Doonesbury rakes nominees Sembler, Zappala

By BILL MOSS
Times Staff Writer

They've been ridiculed in the U.S. Senate and stung by editorials. Now, St. Petersburg developers Mel Sembler and Joe Zappala are being skewered by cartoonist Garry Trudeau in *Doonesbury*.

Sembler and Zappala have been nominated by President Bush to serve as ambassadors to Australia and Spain, respectively. Democratic senators have criticized the appointments as political rewards for the generous financial support the two men gave Bush. Each contributed more than \$100,000 to Bush's presidential campaign and were among his top-money-raisers nationwide.

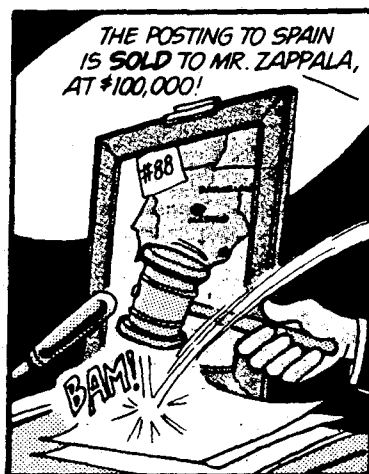
The *Doonesbury* strip, syndicated in about 900 newspapers including the *St. Petersburg Times*,

this week satirizes the political appointments of the Bush administration.

Today's strip opens with an auctioneer closing the bidding for the diplomatic appointment to Spain. "The posting to Spain is sold to Mr. Zappala at \$100,000," the auctioneer says. The auctioneer then reminds the winning bidder that speaking the language of the host country is a requirement of the job. Asked if he understands, the winning bidder replies, "Uh . . . Oui! Da! You betcha!"

Zappala has been criticized because he doesn't speak Spanish. His defenders, including Florida Republican Sen. Connie Mack, point out that Zappala speaks Italian and is learning Spanish.

Please see **DOONESBURY 8B**



Doonesbury this week is taking jabs at Mel Sembler, left, and Joe Zappala of St. Petersburg.



Doonesbury

from 1B

In Wednesday's strip, a character bearing a remarkable likeness to Sembler captures the appointment to Australia with a bid of \$110,000. Someone asks whether he has a connection to Australia. "No, no," he says. "I just promised the kids a country where they could surf."

The Senate Foreign Relations Committee last month recommended confirmation of Zappala, by 10-9, and recommended Sembler's nomination on a voice vote. The two nominations will come up for Senate confirmation when Congress reconvenes after Labor Day. Sembler and Zappala, who have

refused newspaper interviews while their nominations are pending, could not be reached.

Sembler conveyed a one-sentence response through his executive secretary: "You really need a good sense of humor when you get into politics."

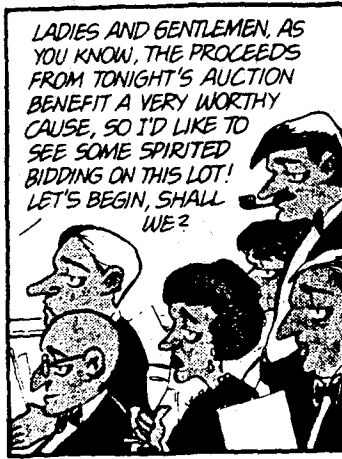
In Saturday's strip, an ambassador-designate to Denmark is congratulated. "Denmark isn't just gaining a Bush campaign supporter — they're getting a dear friend of the administration," says a cocktail party guest. "Yeah, yeah . . . I guess that's right," the character says. "Actually, I gave \$100,000 to the Democrats, too."

Adds his wife: "Just in case. We've been dying to get out of Texas."

August 21, 1989

DOONESBURY

By Garry Trudeau

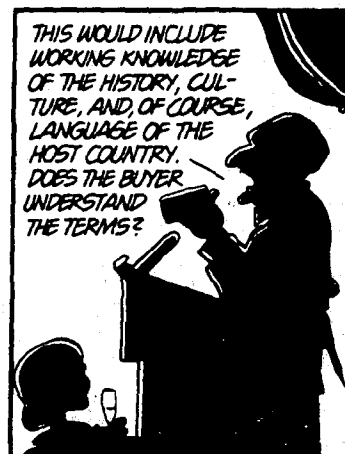
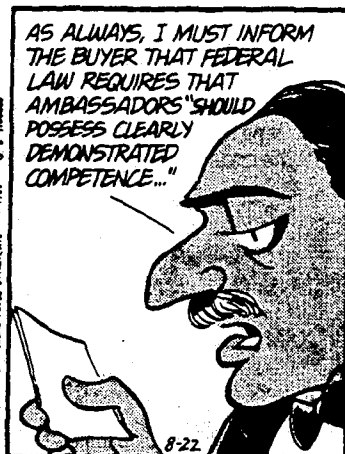


By Chad

August 22, 1989

DOONESBURY

By Garry Trudeau



D. C.

Nominee's sister was drug dealer

By IVAN J. HATHAWAY
and BRUCE DUDLEY
Tribune Staff Writers

TAMPA — The sister of the newly appointed U.S. ambassador to Spain is a convicted cocaine dealer who agreed to testify against other drug dealers to avoid prison.

Joseph Zappala is chairman of the Florida Republican Party Victory Committee, the chief fund-raising arm of the state GOP. He is co-founder and current president of Straight Inc., which operates drug-rehabilitation centers.

Meanwhile, his older sister, Angela Zappala Lee, 56, lives in another state for her own protection. She makes regular trips back to circuit court in Tampa to comply with her part of a deal that landed her five years probation instead of at least 15 years in prison.

Lee was busted with 2 pounds of cocaine in July and began cooperating soon after, but prosecutors say they didn't even know she was Zappala's sister until a few weeks ago, after they cut the deal.

Zappala didn't return telephone calls Tuesday. His secretary said he wouldn't comment.

But Bruce Baynard, who identified himself as an associate of Zappala's, said the Pinellas County developer is not close to his sister and didn't know about her problems until about a week ago.

He said the arrest illustrates why Zappala is so committed to his work with Straight.

"This gives all the more reason to get rid of drugs," Baynard said. It shows that the drug problem "touches all aspects of society."

President Bush appointed Zappala ambassador to Spain on Feb.

See DEFENDANT, Page 87

Defendant assists in drug cases

■ From Page 1B

13. The FBI is conducting a background check and the appointment must be reviewed by the Senate Foreign Relations Committee. No time has been scheduled.

Jeanie Austin, former Florida Republican Party chairwoman and now vice chairwoman of the national Republican Party, said Lee's problems shouldn't affect Zappala's chances to be ambassador.

"It blows my mind," Austin said. "You pick your friends. You don't pick your family."

Lee got into trouble when a confidential informant went to Hillsborough sheriff's detectives with word that "Angela" was moving cocaine from her rented home at 5462 Pentall Circle, northwest of Carrollwood.

Detectives raided the home July 27 and found 2 pounds of cocaine stashed in her bathtub, a scale on the kitchen counter and \$30,000 in her bedroom.

Lee then agreed to provide "substantial assistance" to law enforcement in exchange for probation. While she was turning in other cocaine dealers, her brother was working as a major fund-raiser for Bush's presidential campaign.

Zappala contributed \$100,000 to the campaign and was co-chairman of the successful effort to raise \$25 million for the new president.

Zappala, a 55-year-old land developer and investor, also teamed with fellow Pinellas developer Mel Sembler to raise money for Bush's inaugural.

Last week, Lee was back in Tampa testifying in one of at least a half-dozen drug cases she helped make. Monday night, a jury convicted a 30-year-old mother of three, who had no prior record.

As the father comforted, the wailing children, a judge handed Kim Butcher a mandatory 15-year sentence for conspiring to deliver more than 400 grams of cocaine.

Butcher, testifying in her own defense, said Lee coerced and threatened her into helping with a drug deal. Butcher said Lee told her she and her brother joined Bush for lunch when he campaigned for president in Tampa.

Butcher said Lee made her read a news story about Zappala and told her that Lee's family was powerful



Angela Lee received a lighter sentence in exchange for her testimony.

and had the connections to harm Butcher if she didn't play along. Prosecutors didn't try to disprove Butcher's account.

Baynard, Zappala's associate, said the story that Zappala and Lee had lunch with Bush was "absolutely fabricated."

Felony division chief Stephen Crawford said prosecutors were not concerned with Lee's relatives.

"Earlier this month we flew her into town for depositions and that's when we found out," Crawford said.

"But we really don't care. It had no effect on her prosecution and, for that matter, in the Butcher case, it had no effect on the jury."

"The cases (against the other defendants) already had been made and the decision (to offer her probation) had been made before we knew who her brother was," Crawford said.

Two brothers went on trial two weeks ago in what have come to be called "the Lee cases." They were acquitted. No one questioned Lee about her relationship to Zappala during that trial.

Four more defendants in "the Lee cases" await trial this spring.

Lee pleaded guilty Nov. 21 to trafficking in more than 400 grams of cocaine. Circuit Judge Edward H. Ward sentenced her to two years house arrest followed by five years probation.

The judge ordered that Lee submit to random drug screens, undergo a drug evaluation, receive treatment if necessary and perform 100 hours of community service.

The house arrest portion of the sentence was eliminated when lawyers told the judge that Lee needed to leave Florida for her protection.

Staff writer Ron Bartlett contributed to this report.

St. Petersburg Times

Publication Date: 5/3/87

Page: 1A

HD: Going Straight // The story of a young man's struggle against his addiction to drugs
BY: DAVID FINKEL
SE: Going Straight
EX: First of five parts

Sitting tensely in a chair, he is a young man not to be messed with, a coil of barbed wire. His mouth is in a sneer. His eyes could burn holes. His name is Paul Kulek, and he's doing his best to look as if he's in control.

But in truth, he is just a 15-year-old boy with skinny arms, and when the clipboard with the admission form is handed to him, he begins to cry.

He is on the verge of entering a drug rehabilitation program called Straight, an intensive, high-pressure program that could take a year of his young life to complete. His parents think he has been smoking too much marijuana, and they want him in.

But he is scared.

He looks at the clipboard, and the words blur. He looks up, and there are his parents. His mother is crying. His father is biting his lip.

Already, they have heard their son admit he not only has smoked pot, but he also has swallowed speed, inhaled gasoline and toyed with the idea of shooting himself.

"You qualify for our program," Steve Knowles, an official with Straight, had said after the last of those revelations.

Now, motioning toward the clipboard, Knowles asks Paul if he is ready to sign himself in. He turns on a tape recorder. He asks Paul to read the admission form aloud. A few seconds go by, and then, in a voice that isn't much more than a whisper, Paul begins to read.

"I hereby give my volun ..."

The word is voluntary. But he can't finish it. His face contorts. Tears spill.

"I ain't gonna do this," he cries.

His father looks at him. "You got to," he says.

His mother looks at him. "You need to," she says. "We want to save you."

He begins crying harder. "I don't want to," he says. He buries his face in his hands.

The date is March 31, 1986. Outside the room, there is a refreshing breeze. Palms rustle, clouds float along, cars go by with windows down. For anyone else on the Suncoast, it is a beautiful, spring morning.

But for Paul and his parents, life on this day seems as terrible as it can get.

Discovering the problem

They come from St. Petersburg and Clearwater, from Pinellas and Hillsborough, from Florida and Texas and Michigan. A dozen times a month, 150 times a year, weeping parents and scowling children make a final attempt at reconciliation in a plain, warehouse-sized building in mid-Pinellas County.

This is Straight-Tampa Bay, a drug rehabilitation program where boasts of success are matched only by the notoriety of the methods.

The boasts: In six out of 10 cases, a defiant, drug-addicted teen-ager will be changed into someone who has given up drugs for the deeper pleasures of family, school and God.

The methods, at least initially: No living at home. No talking to parents. No contact with anyone outside the program. No drugs. No cigarettes. No TV. No music. No reading. No school. And a daily onslaught of counseling sessions that often reduces a person to tears.

Eventually, the person is allowed to read, does move back home, does return to school. But such things can take a year or more, all depending upon how well the person behaves as he progresses through the program.

"Drug treatment is different," is what Bill Oliver, executive director of the Straight Foundation, says in defense of the methods. "This is not a normal world."

The idea for all of this began in 1976, when Straight officially opened, taking up where another program called The Seed had left off.

Like Straight, The Seed was designed to end a young person's drug use through a lengthy, unrelenting program of peer pressure. It was disbanded, however, after an independently prepared report compared its methods "to highly refined brainwashing techniques employed by the North Koreans during the 1950s."

Straight was intended to be a bit gentler than that, and, for the most part, it has been. Over the past 11 years, more than 6,000 people between the ages of 12 and 21 have been treated in a program that not only seeks to end an addict's drug addiction, but also to resolve the family problems that led to the addiction in the first place. "You are in the best drug rehabilitation program in the country," parents are constantly told.

Still, Straight's record hasn't been perfect. There have been continual allegations of mistreatment over the years, including complaints of physical abuse, false imprisonment, brainwashing and cultism.

Many of these allegations were explained away as unfounded grudges; the program is radical, Straight officials say, and so complaints have to be expected. But some that couldn't be explained away turned into highly publicized lawsuits, one of which cost Straight \$220,000 in damages when a jury found a young man had been held in the program for several months against his will.

After that particular lawsuit, officials say, they modified some of their procedures. For a brief time, there was a noticeable dip in admissions, they say, but now enrollment is back up, and branches of the program have successfully opened in eight cities around the country, with five more in the planning stages.

Such dramatic growth isn't exclusive to Straight; these days, drug rehabilitation programs seem to be everywhere. Just in Florida, there are more than 200 licensed programs, according to state health officials.

But Straight, it seems, has always been the one to stand out. When Nancy Reagan wanted to visit a drug program in 1982, she chose Straight. When Princess Diana wanted to see one, she saw Straight, too. Countless articles have been written about Straight's unorthodox methods. A movie has been made. Much of the publicity has been negative, but through it all Straight has stayed in business, growing from a small program in St. Petersburg to one of the largest in the country.

Because of all this - the allegations, the lawsuits, the publicity - parents bringing their children to Straight often know of the problems of the past. Yet they keep coming, and no wonder: In a time

when children as young as 8 are undergoing drug rehabilitation, the success stories of Straight can sound truly comforting to a parent who is desperate.

That's how it was for Paul's parents, Bill and Julie Kulek.

"I realize it's been a controversial thing," says Julie. "I had some people tell me, 'Your kid's going to come back like a zombie, he's going to be brainwashed, he'll be a religious freak.'"

"But we heard the good things, too. And I think the good things outweighed the bad."

In many ways, Paul doesn't typify the teen-ager who becomes dependent on drugs. There's no single, obvious problem that set him spinning off. What he does typify is the type of person that Straight tends to attract: white, middle-teens, a child of suburbia who grew up with most of the advantages. If there is a lesson in his drug use, it is that even in families where there is an abundance of love and the motives are good, things can still get out of control.

He was born April 2, 1970, Julie's second child, her first son. She remembers holding him just after his birth and feeling a rush of gratitude that he was so handsome and healthy.

"We have thought back: What didn't we do?" she says now. "Or what did we do that we shouldn't have?"

His early years, she says, were happy ones. When she divorced her first husband, Paul seemed to adjust easily. When she married Bill two years later and they adopted each other's children, he seemed to adjust again.

"Easy-going," is how she describes her little boy who imitated a TV commercial one day by climbing into the washer and staying there until she came looking for him. "Paul," she called, walking into the laundry room. The lid flew open. Up he jumped. "There's a giant in your washer," he said and dissolved into giggles.

Memories like those, she says, make it that much harder to understand the changes in him that began a few years ago.

In sixth grade, he gave up his old friends, the ones he had stuck with through thick and thin. In seventh grade, he began smoking cigarettes. In eighth grade, his grades dropped noticeably, and he was suspended from school for fighting.

He began taking things that didn't belong to him. Lighters disappeared. So did a pen knife. So did bracelets belonging to his sister, and \$134 in change that Julie had been keeping on a shelf. So did a gold charm he had given his mother for Mother's Day.

"You always blame me for everything," Paul answered when confronted. Indignant, he would storm out of the house - and then go off on his bicycle in search of more drugs.

Usually he bought them from friends. Sometimes he would make do with typewriter correcting fluid or gasoline. One time, in search of pot, he went to a rundown section of Tampa and gave \$20 to a street dealer who pocketed the money and then poured some spices and crushed leaves into Paul's hand. Paul tried to give it back, but the man wouldn't take it. Paul fished out a knife he carried with him. The man saw it and swung at Paul, and then Paul sliced him across his chest. He pedaled away fast, a 12-year-old with a bloody knife. He was scared - but not scared enough to keep from wiping the blood off, going to another part of town later and exchanging the knife for enough pot to last the rest of the day.

His parents knew none of this. They did know that their son was sometimes taunted because he was so skinny, and that he seemed to have an especially deep need for acceptance. Eventually they realized such needs can translate into drug use, but they didn't know for sure about Paul until the day when Bill, who was working at a laboratory, demanded a sample of Paul's urine, took it to work and ran tests on it.

After the test came out positive, Bill did another. After that one came out positive, things grew steadily worse.

Day-to-day life disintegrated into constant fighting. One weekend in Naples, Paul ran through a parking lot, bending and snapping off car antennae until the police finally cornered him.

Julie, who says she almost never hit Paul when he was a small child, still gets upset when she tells of walking up to him in the parking lot that night, looking at him, looking at what he had done and slapping him hard across the face.

And then his reaction: "He took it so lightly."

"He was really getting into it," says Bill. "I'd say the last month to two months, it was every day."

"I would say he put a very bad strain on our marriage," says Julie. "It was constant arguing. About school work. About going out. You can't stop me from taking pot." Bill and I were arguing, we hardly ever argue. I hated to be home."

"He was really getting bold," says Bill.

"Defiant," says Julie.

"I think he was asking to get caught," says Bill. "He knew he was going to get caught."

"I don't wanna do this!"

So they have come to Straight for help. They are a bit sickened by what they are doing, but they are more sickened by what their lives have become.

They sit in the office of Steve Knowles, who turns to Paul and says, "Paul, do you know where we're at?"

Paul shakes his head. No.

In fact, he doesn't. He thinks he is at a family counselor. He thinks he will blow this whole thing off in an hour and be back home in time to get high before lunch. He slumps in his chair, one hand resting on a Walkman, which his parents gave him the day before as a three-day-early birthday present. He is a bit high from some marijuana he smoked just after he woke up.

"I'm going to be up front," Knowles says. "You're at a program called Straight."

Paul says nothing to this. But his muscles immediately tighten, and his expression goes hard. He stays this way, taut and unmoving, as Knowles explains that Paul's parents think he has a serious problem with drugs.

"Do you smoke pot?" Knowles asks him.

Paul nods.

"How much?"

"Whatever I can get," Paul says.

"Are you comfortable with me asking these questions?" Knowles asks.

Paul shakes his head no. And his eyes suddenly become wet.

Thirty minutes go by. "He thinks we can't tell when he's on pot," says Bill, "but he comes in with his eyes bugged out and shiny."

An hour goes by. "People have told me it's gonna kill me," Paul says. "Well, it hasn't killed me."

Ninety minutes go by and two young men already in Straight are escorted into the room. Ricky, who says he has "done pot, alcohol, ups and downs," tells Paul about the program, which lasts a minimum of 178 days. Then Matt - "pot, alcohol, acid, mushrooms, cocaine, ups, downs" - recites the rules:

No TV, radio, reading. No makeup. No jewelry. No dating. No hitchhiking. "No druggie friends or hangouts." Knock before entering a room. Spend nights at the homes of others in the program. "Hang on tight to newcomers by the belt loop."

Paul sits wordlessly, a blank wall. He gives no indication whether

any of this is sinking in. There is a long silence. "The end result," Knowles finally says, "is you qualify for our program."

He hands over the clipboard with the admission form on it. He mentions that if Paul doesn't sign himself in, his parents could seek a court order forcing him in. Paul looks at the admission form and begins to cry. He says he wants to go home. He says, "I have to go in on my birthday almost? My birthday? Today?"

"Yes," Knowles says.

"I'd like to have a birthday," he says, almost pleading.

"That's why we had your birthday yesterday," Bill explains to him.

"And he didn't even want to be there," Julie says.

"You have to be strong, Paul," Bill says.

"I'm strong, but I don't wanna do this."

"You have to," Bill says.

"Would you just try it, Paul?" Julie says. "Please? Would you do it for me?"

Paul shakes his head no. "It ain't hurting me, so I'm gonna keep doing it."

"Paul, it is hurting you," his mother says. "It's hurting you at home, it's hurting you at school, it's hurting you in the fact that you're losing good friends."

"If you sign this, you're in control," Knowles says. "If you do it through the courts, you lose some of your rights."

"I'd rather you sign the paper yourself rather than we go to court and ask them to put you in here," Julie says.

More silence. They have been at this for two hours now. Julie fights tears, and Paul hides his face in his hands.

"We'll be right behind you," Bill says.

Paul doesn't move.

"Okay?" says Julie, who sounds as if she won't be able to hang on much longer.

"Okay?" says Bill. He leans forward. He pats Paul on the knee.

"Please try it," Julie says. She is begging.

Paul looks up and picks up the clipboard. Slowly, he reads aloud what it says, that he is entering the program without coercion. Julie finally loses her fragile balance and begins to weep. So does Bill. Paul reads on. He picks up a pen and signs his name at the bottom of the form.

He is in.

"I'm going to ask you to give your cigarettes and your tape player to your mother," Knowles says.

"I don't get to smoke?" Paul asks, incredulously.

"Do you want me to take his watch and rings, too?" Julie asks quickly, avoiding Paul's question.

"I don't wanna stop smoking!" Paul yells.

Knowles motions for the cigarettes.

"I don't wanna do this!" Paul yells.

Knowles keeps motioning.

"Goddamnit!" Paul yells. He takes the cigarettes from his pocket and throws them at his mother. She flinches when they hit her.

"Goddamnit!" he yells again. He takes the tape recorder and throws it at his father.

"Here," he screams. "Take everything you ever gave me!"

He gets up. So do the two boys already in Straight. They grab him by the belt loops and lead him out the door, leaving Bill and Julie wondering if their son will ever find it in his heart to forgive them.

Next: Fifty days away from home

About Straight

Eleven years after it opened in St. Petersburg, Straight has become a

national drug abuse program with eight branches in seven states and five more branches planned. As of April 1987, more than 6,000 young people between the ages of 12 and 21 had been admitted for treatment. Here is a list of the branches and their current enrollment figures:

Straight-Tampa Bay

(pictured above)

Date opened: September 1976

Enrollment: 112

Straight-Atlanta

Date opened: August 1981

Enrollment: 77

Straight-Cincinnati

Date opened: January 1982

Enrollment: 78

Straight-Greater Washington D.C.

(location: Springfield, Va.)

Date opened: October 1982

Enrollment: 249

Straight-Orlando

Date opened: June 1985

Enrollment: 90

Straight-New England (Boston)

Date opened: December 1985

Enrollment: 151

Straight-Detroit

Date opened: January 1986

Enrollment: 100

Straight-Dallas

Date opened: June 1986

Enrollment: 114

Plans call for branches to open in Los Angeles and Seattle in late 1987 and in St. Louis, Chicago and Norfolk, Va., in 1988.

About the series

This series was begun 16 months ago when officials of Straight, responding to a request from the St. Petersburg Times, consented to allow a Times reporter to follow a person through its drug-rehabilitation program. Among the conditions agreed to by Straight were these:

The Times would choose the person to follow.

The Times would have unrestricted access to the person.

The Times would be able to follow the person's progress from the moment he first entered the program.

Times reporter David Finkel sat in on several admission interviews before Paul Kulek and his family were chosen on March 31, 1986, to be the subjects of the series. While keeping continual track of Paul's progress, the Times decided not to publish any stories in the series until he had left the program so as not to interfere with his chances for success.

SC: NATIONAL

PG: 1A

AT: drug\$ profile biography

SU: Straight Incorporated

TY: SERIES

CR: COLOR PHOTO, (4); BLACK AND WHITE PHOTO, Bill Serne; BLACK AND WHITE PHOTO, (2)

CU: Paul Kulek on admission to Straight Inc.; baby picture of Paul and sister Jodie; Paul, age 12; Paul, age 8; Straight-Tampa Bay branch; Julie Kulek; Bill Kulek

AR: Straight Inc.: 87

St. Petersburg Times

Publication Date: 5/4/87
Page: 1A

HD: Going Straight // Part 2: The first 50 days in the program

BY: DAVID FINKEL

SE: Going Straight

EX: They found the bag of pot, even though he had hidden it in his underwear. He thought it was safe there. But then they told him to undress for a strip search, and the bag fell out to the floor. "Pot?" they said, not surprised.

They found the rolling papers, too, even though he had hidden them in the lining of his shoe.

His name is Paul Kulek. He was two days shy of his 16th birthday. A few hours before, he had awakened in his home in Tampa. He had thrown on some clothes, ducked outside and smoked some pot. Then he got in the car with his parents, Bill and Julie Kulek, who drove him to a plain-looking building just north of St. Petersburg.

Paul didn't know where he was. He thought he was at a family counselor. Only when he was inside did he learn that his parents had brought him to a drug rehabilitation program called Straight.

For two hours, he resisted admitting himself to the program. His mother begged. His father cried. He listened to them, stoned as could be. He cried, too, and then began throwing things.

Now, here he was, signed in, still a bit high, in a room with two other young men enrolled in the program. Their hair was short. They kept saying the word "druggie." Every time he stood up, they grabbed him by his belt loops.

"How do you get high in this place?" he asked them.

"You don't," they said.

They asked him to strip. They checked his shoes. They ran their fingers along his shirt collar, feeling for bulges.

His urine was tested. His blood was taken. He was asked to list what drugs he had taken.

He was led by his belt loops down a hallway, through a guarded door and into a huge room with a concrete floor. Fifty young people were crowded together in there, seated in close rows of blue plastic chairs. They were jerking their hands in the air so frantically that the room was filled with snapping sounds.

"Okay, listen up!" someone yelled. "This is Paul. He's done pot, alcohol, cocaine, mushrooms, LSD and speed. He's from Tampa. Does anyone know him?"

Fifty heads turned. Paul stood there, feeling them look him over. He knew no one. He had nothing to say.

But they had something to say to him.

"Love you, Paul!" they shouted in unison. Then their hands shot back into the air, and the room was filled again with snapping sounds.

"The humbling phase"

In Straight, there is a name for everything.

"Making amends," for instance, is apologizing, usually tearfully, for bad behavior.

"Motivating" is waving your hand in the air to be called on to speak, waving it so hard that your arm aches and you begin to perspire.

"Commencing" is graduating from the program.

And "First Phase" is what Paul entered into on March 31, 1986,

the initial stage of a five-phase program that takes an average of 12 months to complete.

Straight, based in mid-Pinellas County, is one of the nation's largest, and perhaps most controversial, drug rehabilitation programs. Over the past 11 years it has treated more than 6,000 young drug abusers under an elaborate theory of rehabilitation that - at its simplest - uses peer pressure, guilt, despair and finally joy, to help a person realize how damaging drug use can be.

The five phases are the skeleton of the program. Each is designed to replace a person's dependence on drugs with more intrinsic pleasures, such as a strengthened family. All of the phases are designed to be intensive and difficult. But First Phase is usually the most difficult of all because of the abrupt changes it brings to a drug user's life.

One day he is hanging out, getting high.

And the next, he is sealed in a room with dozens of other drug abusers, not allowed to speak unless spoken to, led everywhere by his belt loops to show he has lost control of his life.

He is in the room at least 10 hours a day, six days a week. He spends nights in the unfamiliar homes of others in the program. He is cut off from his home, parents, school, friends, music, TV and books. The only things he can do are talk about his feelings and listen as others in the program tear his life apart.

"First Phase," says staff member Mike Dean, "is the humbling phase."

It is the phase to break down resistance. It goes on for at least 14 days and often for months. It lasts until the person learns to dig out his secrets, to motivate until he aches, to make amends until he cries. Only when he is feeling worthless and miserable is he considered to be making progress.

Then, slowly, come the rewards.

The first is something called "talk," which means that he can speak face-to-face with his parents at Straight for 20 minutes a week.

The second is "talk and responsibility," which means that in addition to speaking with his parents, he can also stand guard at doors to make sure that no one runs away from the program.

Finally, when he admits his dependence on drugs and convinces the staff he wants to change, he earns Second Phase, which means that he can return to his home to sleep for the first time since entering the program. Then come phases three, four and five.

Each phase comes with its own set of hurdles, but it is the methods of First Phase that have caused the bulk of complaints about Straight, including allegations of physical and mental abuse. Other than some fine-tuning, though, Straight officials have stuck to their methods, insisting they are the best in the country.

"We know how to do it," says Bill Oliver, executive director of the Straight Foundation. "You've got to play it our way."

Still, to someone entering the program, the methods can seem disconcerting. All doors are guarded. Kids stand up, start talking and end up crying. Everyone yells "Love you!" whenever someone finishes speaking. And every hour or so, there is a group sing-along to tunes such as a Zip-a-Dee-Doo-Dah, which for some reason is sung in an odd, almost-brooding cadence.

Paul's reaction that first day was to take all this in and scowl. Like just about everyone entering the program, he thought he could beat it by playing along. He'd be home in no time.

He was led by a belt loop to the front row and given a chair. He slumped and looked at his shoes.

"What's your name?" someone asked.

"Paul," he said.

"Sit up, Paul."

"Acting like a jerk"

He didn't.

He didn't sit up, he didn't talk, he didn't stop scowling. For two days, he didn't do anything except slouch and watch.

He saw a boy stand up and begin throwing wild punches. Chairs scattered, and five other young men tackled him to the floor, pinning his arms and legs until he calmed down.

He listened to a graduate who had checked himself back into the program explain how he felt about falling back into drug use: "I feel embarrassed. I feel ashamed. I feel guilty."

He watched 50 young people spastically wave their arms just so they could be called on to share the most trivial of memories:

"I remember when we used to go to the drive-in movies, and we'd take those Charlie Chip potato chip cans and sit on 'em ..."

"Love you!"

"I remember going over to a friend's house and watching wrestling on TV ..."

"Love you!"

"I remember when I'd catch tadpoles ..."

"Love you!"

But mixed in with this were also moments that Paul couldn't help but absorb. There was talk of parents who slap, of brothers who taunt, of friends who betray, of first love, of sex, of guilt, of misery, of breakdowns.

"I guess what he wanted out of me was drugs and sex," a girl wept one day, explaining how her boyfriend had taken advantage of her. "But I didn't care, I guess, because I was lonely."

"I've never done anything right in my life. I never have, and I never will," a young man named John said later, sobbing. "I've disappointed my parents so much." He cried harder and harder until he grew wobbly. He began gasping for breath as if he had been punched in the stomach. "I feel like I'm going to pass out. I feel like I'm high. I feel jittery. I'm so scared ..."

If any of this made Paul want to change his ways, though, he didn't show it. He turned out to be a fighter.

He slouched. He threw punches. He threw chairs. He kept trying to withdraw from the program until his mother threatened to have him put in there by court order.

"He is acting like a little jerk," one staff member wrote in an evaluation on Day 15, about the time he could have been moving onto Second Phase.

"Still being a jerk," was the comment a week later.

On his 11th day in the program, he had to be tackled to the floor and restrained. On his 16th day, according to a staff report: "Paul got angry and started to hit the guys next to him. He was restrained on the floor ... Craig (another young man in Straight) was bitten on his left arm, but no medical attention was necessary."

On Day 26, he threw water on people. On Day 30: another fight, another bite.

While others talked tearfully about their drug use, he sat morosely in his chair. He found a staple and began carving on his arm until it was covered with long, red scratches. He tried to hit his head on the concrete floor when he was being restrained.

One day, he broke a light fixture and was sent to something called the "Time-Out Room." He was kept in there a long time. After a while, he lay flat on the floor, peered out the crack under the door and watched the group. From that distance, the motivating and the "Love You's" didn't seem so bad to him. But when he returned to the group, he wouldn't say a thing.

Critics of Straight say this is one of the most dangerous times in the program, the time when a young person, cut off so long from everything he knows, finally buckles under emotional starvation. He has been in the program for weeks, day and night. He changes, but only because his resistance has been beaten down. He succumbs rather than progresses.

Straight officials say this isn't simply so, that there comes a time when a person finally sees there is a better way to live a life. That, they say, is the strength of what is called peer counseling: If a person sees others like himself making changes, he'll want to make changes, too.

First trip home

Whatever the reasons in Paul's case, he did, in fact, finally begin to change. It happened a few days after the worst incident of all, the day he tried to punch someone hard enough to injure him.

He had been in Straight more than a month. He was sick of the whole thing. Someone told him to sit up, and he swung hard, hitting the young man square in the face. He was tackled and restrained. The police were called. Charges were threatened. And a few days later, he began to turn himself around.

He stood in front of the group and apologized for the way he had behaved. He began motivating so fiercely that he woke up the next day with a sore neck.

"He would cry," staff member Mike Dean said, recalling Paul's changes. "He would say, 'I don't want to go back to my past.' He would say, 'I don't want to go back to my friends who teased me. I'm scared.' He was scared to be straight because the only way he could have friends was through acceptance, and he felt if he gave up drugs, he wouldn't have any friends."

Just as the young man named John had said he felt a few weeks before, Paul felt high, jittery. Perhaps it was the relief of unburdening, the rush that comes with confession, but he was exhilarated. He poured his heart out every chance he got. He motivated so hard, he made snapping sounds as his fingers flew against each other. He cried huge tears.

On Day 36, he earned the privilege of talking to his parents for the first time since entering the program. He hugged them, apologized for what he had put them through and hugged them again.

On Day 43, he earned "talk and responsibility," and he began guarding doors.

Finally, on Day 50, he asked for permission to enter Second Phase and go home.

"A screaming eagle," Straight's then-associate director, Charles Larsen, said at a staff meeting to decide what to do about Paul's request. "He's a little kid, but he was going berserk for a while."

"Paul's come a long way," said another staff member, Scott Rebane. "I think that guy needs support at home."

"How's his family feel about it?" Larsen said.

"They'll probably be real excited after 50 days of hell," staff member John Johnson said. "Paul's going to wet his pants."

"Fifty days and 50 nights? It's time for him to go home," Larsen said.

Paul found out that evening.

When he heard staff members call out his name, he stood apprehensively. When he heard, "You're going home," he broke into a huge grin and began to cry as friends came over to embrace him.

It was a Monday evening. Bill and Julie, Paul's parents, were in an adjoining room, gathered with other parents for their weekly Monday night meeting. He pushed open the door to their room and burst in.

"Coming home!" he yelled.

He ran across the room. His parents stood. He tumbled into the arms of his mother, who burst into tears. His father put his arms around his wife and son and closed his eyes.

In Straight, the announcement of making Second Phase is purposely designed to be a deeply emotional, uplifting scene, and in Paul's case that certainly happened.

While everyone else in the room applauded this latest example of how Straight can work wonders, the three of them stood holding tightly onto each other, a weeping mountain of a family.

A sense of accomplishment

An hour later, off they went, home.

"This is the phase where you're going to learn what Straight is all about," one of the parents had said to them as they prepared to leave.

"I just hope his dog doesn't bite him," Bill answered, laughing.

It had been a long haul. Fifty days had passed, and Paul was an inch taller and 12 pounds heavier. He sat between his parents as they drove north on I-275, across the Howard Frankland Bridge, into north Tampa, into their neighborhood.

They would be back at Straight the next day, and the day after. They would be back for at least the next 5 1/2 months, the minimum amount of time it would take for Paul to complete the program. Anything could happen. Some people take two years to finish the program, only to sink back into drug use. Some never finish.

But for the moment, in this family, there was a deep sense of accomplishment. Paul, especially, glowed.

Thinking back to the day he was first taken to Straight, he said, "It was real scary. They all talked funny. They all looked funny. And then, when they said, 'Love You,' I thought it was a gay-love place."

About his first afternoon there, he said, "I sat there thinking of ways I could do drugs. I went to the bathroom and saw a plunger and thought of hitting the guy in the face and running out of there."

About scratching up his arm: "The feelings, they build up. It gets out the frustrations, the anger. And each time you dig deeper it's like the anger comes out. You don't feel the pain until later."

About trying to hit his head against the floor: "I really thought I was crazy."

About a family he had stayed with for several nights: "It was like how I wanted my family. There was a sister and mother and father, just like mine. I kept imagining they were my family, and I didn't want to let them down."

About earning Second Phase: "When I ran across the floor, it's like I saw the whole 50 days in front of me, all the bad and good things, all the way from the beginning. They say it's like running through Jell-O, like it takes a million years to get there. But when I got there to my Mom, it was worth it."

About seeing his house again after so long: "Home's great."

He walked in the front door.

The dog remembered him.

Everything looked familiar.

But back in his bedroom, upon directions from Straight, he discovered there had been changes.

His walls had been stripped of every poster he had carefully put up - posters of rock groups such as Motley Crue and AC-DC. The entire room, blue when he left, had been painted beige. The dresser had been moved into another room so he wouldn't have a place to hide things. His desk had been emptied, moved into his closet, and the closet locked. The headboard of his bed had been sanded down where he had carved the words "Motley Crue."

An alarm had been installed on the window in case he tried to sneak

out.

The door had an alarm, too.

Nonetheless, as Paul walked through the home he hadn't seen in so long, his smile was wide as could be.

He ate some food. He petted his dog. He played with his hamster. He was not yet allowed to watch TV or listen to music so he talked with his parents. Midnight came and went.

Finally, his mother walked him down the hallway and hugged him. He went into his room of bare walls and a bed. She closed the door behind him and activated the alarm.

"Goodnight," she said.

Next: What a parent goes through

A day at Straight

A day at Straight begins early and lasts long. From the time they arrive until they leave, those enrolled in the program take part in continuous "rap sessions," discussions that range from reciting the rules of Straight to talking about intimate and troubling problems. Most of the sessions are led by graduates of the program who have joined the staff. Each day's schedule is different - Friday sessions, for instance, can last until midnight - but the schedule of a typical day is as follows:

6:30 a.m. The building opens. Clients begin arriving.

9 a.m. All clients should be present. Attendance is taken. Medication for those with illnesses such as headaches and asthma is dispensed (sick call). The clients take their seats and begin singing songs in unison such as Straight Is It (sung to Coke Is It).

9:15 a.m. "Basics Rap." In this, clients are called on to recite the 12 steps of the program (modeled after the 12 steps of Alcoholics Anonymous), such as admitting a dependency on drugs and a need for spiritual help.

10 a.m. "Morning Rap." This discussion is meant to get clients talking about such aspects of their lives as how they used to get high and how they feel about it now.

Noon lunch and open discussion.

1 p.m. "Guys" Rap and Girls" Rap." The group is separated; the males go to one room, the females to another. Discussions deal with self-image, personal problems and sexuality. Often the most intense discussion of the day.

3 p.m. Exercise.

3:30 p.m. "Afternoon Rap." This session deals with problems clients are having such as family crises or coping with the demands of the program. Though short, it also can be intense and heavily confrontive.

4:15 p.m. Dinner, sick call, open discussion.

4:45 p.m. "Rules Rap." Clients recite the rules of the program, such as the importance of honesty, the prohibition against newcomers talking to other newcomers and the procedure for withdrawing from the program.

5:15 p.m. "Night Rap." This is intended to be an emotional, uplifting discussion that will leave the clients in a somewhat positive mood. Topics might include friendship and learning to accept others.

6:45 p.m. Sick call, reciting the Lord's prayer, arranging the evening's sleeping accommodations, lining up heel-to-toe at the door for dismissal.

7 p.m. Dismissal.

SC: NATIONAL

PG: 1A

AT: drug\$ juvenile

TY: SERIES

CR: COLOR PHOTO, Cherie Diez, (2); BLACK AND WHITE
PHOTO, Cherie Diez

CU: ""Motivating"" is waving your hand in the air to be called on to speak, waving it so hard that your arm aches and you begin to perspire; Newcomers to Straight are led around by their belt loops to symbolize how they have lost control of their lives; At Straight, Paul Kulek sits in front of signs listing the 12 steps of the program, modeled after those used by Alcoholics Anonymous.

ED: CITY

St. Petersburg Times

Publication Date: 5/5/87

Page: 1A

HD: Going Straight // Part 3: The parents" story

BY: DAVID FINKEL

SE: Going Straight

EX: In the day-to-day existence of Julie Kulek, it was the normal occurrence that showed her how abnormal her life had become.

It was the delivery man from Little Caesar's Pizza, for instance, bringing the pepperoni pies. It was the neighbor who would drop by unexpectedly, wanting nothing more than a cup of sugar. It was merely opening the front door.

"You hear the doorbell ring," Julie said, describing the hardship a visit would cause. "You go to the door. You say, 'Door,' loud enough to be heard in other rooms. You unlock the door, open it, find out the neighbor wants a cup of sugar. You tell her, 'Just a minute.' You shut the door, lock it, go to the kitchen, get the sugar, come back to the door, say 'Door,' unlock it, open it, give her the cup of sugar and say, 'I'm sorry, you can't come in.'"

"If you go outside to talk, you have to lock the door on your way out. Then, when you want to get back in, you have to ring the doorbell, and then somebody else has to come to the door and say 'Door' to let you in."

On March 30, 1986, Julie Kulek didn't say "door" whenever she was about to open her door. On March 30, there was no need to shout any kind of warning because her house wasn't yet filled with young men who might run away the first chance they got.

Then, on March 31, the Kuleks' youngest child, Paul, entered a drug rehabilitation program called Straight, and overnight everything changed.

Several months later, as Julie found herself living in a home filled each evening with youngsters who spent their days at Straight and then came to the Kuleks' to sleep, these were among her memories of how her life used to be:

Going out.

Having friends over.

Spending time alone with her husband Bill.

Having more than a few moments a day to herself before she dropped off to sleep, exhausted.

"People don't believe this," she said of what her life had become. "Nobody has any concept of what really goes on in our house.

"I had one boy in my house they wanted to test for AIDS because they thought he had a mixed sexual background. I've had kids who had shot up every day, kids who have gotten drugs in exchange for sex, kids who have been in jail - not jail for kids but adult prisons."

All of them slept under her roof. At night, she would lock them and her son into his bedroom. In the morning, she would let them out and hug them as if she were their mother.

"Car thefts," she said, listing some of the crimes they had committed. "Armed robbery. Burglary. Arson."

Generations apart

Thirty years ago, in what now seems like a different time entirely, Julie Kulek was a teen-ager. She attended a Catholic high school in Detroit. She wore her hair long. She had a poodle skirt in her closet.

She never, never drank.

Forty years ago, Bill Kulek was a teen-ager, also in Detroit. He did drink. Every few weeks, he and a dozen of his friends would get a couple of cases of beer, head for the woods of Michigan and drink until every beer was gone. One time, when he was 16, he came home so drunk he threw up right in front of his father, who promptly made him gulp down a shot of whiskey that only made him sicker.

His father, an immigrant who worked for Chrysler, was a drinker, too. Every night before dinner, he'd have a shot or two to pave the way for the coming meal. He could control his drinking, though. Bill couldn't.

In his 20s, he began putting away six-packs of beer as if they were so much water. In his 30s, he was drinking a fifth of whiskey a day. In his 40s, he was still drinking that much when he met Julie.

They met in 1973. Both had been married. Both had had children. They dated for a year-and-a-half, got married and adopted each other's children, and in 1977 they moved to Tampa, settling into a house near the Hillsborough River.

Ten years later, the house has become a cozy, cluttered place that smells pleasantly of coffee and bacon, a middle-class home all the way. There is wood paneling in the den. There are bowling balls in the front closet. There is a dog.

Nowhere, though, is there any liquor. On his own, Bill admitted to himself he was an alcoholic and brought his addiction under control soon after he and Julie were married. No longer does he drink, except for an occasional beer after bowling. Julie, never more than a social drinker, might order a sloe-gin-and-7-Up on the rare night she and Bill get to go out, but that's it.

Neither drinks at home. Neither gets drunk under any circumstance. Because of Bill's history, both are aware of how troubling an addiction can be and how early it can take root.

Yet when it comes to Paul, the dependency he developed on marijuana and pills and cocaine seems unfathomable to them. They weren't teen-agers so long ago that they've forgotten the peer pressure that comes with the age; still, they say, the pressure on a teen-ager today must be a thousand times worse than it was in their time.

"Nobody pressured me to drink, and nobody rejected me because I didn't," Julie says.

"Let's face it," says Bill. "When I was growing up, everybody was poor, so you didn't know you were poor. You had to use your imagination. Now it's all material. I can buy blue jeans for 10 or 15 bucks, Paul wants ones that cost 27. I buy sneakers for \$12, he wants Nikes."

Paul wanted them - and Paul got them. He got the Nikes and the \$27 jeans, and when those wore out, he got fresh ones. And a skateboard. And a \$250 bike. And a computer. And tickets to the tractor pull ("Paul wanted to go," says Julie. "We were the first ones in line for tickets.>").

Bill and Julie wanted to be good parents to Paul, and they thought they were.

Only later, after he was enrolled in Straight, were they told that their behavior had probably contributed to Paul's problems. They were told that instead of being encouraging, they were being manipulated; that instead of being understanding, they were being pushovers.

"Giving in," Julie said, explaining the lesson. "Doing for."

"Not following through," said Bill.

"Enabling," Straight called it. They were enabling Paul to destroy himself.

Demands of the program

That lesson came later. Their first lesson, as painful in its own

way, was that Straight doesn't come cheap, and in many cases - including theirs - insurance covers none of the expenses.

Just walking in the door to have Paul admitted cost the Kuleks \$1,089; two weeks later came a \$1,600 evaluation fee; then came a monthly charge of \$350 (raised to \$385 this year) that would continue until Paul left the program.

On top of that there were other expenses. Gas money for driving 80 miles to and from Straight each day. A \$2 donation the Kuleks would give weekly during parents' meetings when a contribution basket was passed around. A \$25 donation for a commercial about Straight to be aired during a TV program on drug abuse. And more.

To a middle-class family just making ends meet anyway, the financial demands of Straight were hard enough; the Kuleks had to dip deep into their savings. To Bill Kulek, though, far harder were the other demands the program makes on parents of its clients, demands that would soon turn the Kuleks' life completely around.

"I think the hardest part has got to be the time involved," Bill said. "It seems you're just going from one thing to the next. You're never relaxed."

All of this began the day he and Julie dropped Paul off at the program. Paul went in, and they went home - and that evening they were back again for a parents' meeting. "This program is not only for them, it's for you, too," the discussion leader told the Kuleks as he handed them a list of rules.

Bill flipped through them. They totaled nine pages. Among them:

"Attendance at Open meetings (every Monday and Friday night) is mandatory for all parents."

"Siblings (8 and up) are to attend Saturday Sibling Rap 10-12 noon and Friday night raps, except when excused."

"Both parents must be in the home each night that the child is on First and Second Phase. In cases of emergency, these parents may submit travel plans and Staff may approve or deny this travel."

"Overnight business travel will be considered for parents with a child on Third, Fourth (or) Fifth Phase. Plans for such travel must be submitted to Staff for approval."

"Vacation is permitted for families on Fifth Phase only. Staff approval of vacation plans is required."

Silently, the Kuleks listened as they were told it wasn't just Paul who was in need of help, but their entire family. By the time they headed out to the parking lot and their car, it was after dark. Bill, exhausted, lit a cigarette. So did Julie.

"Mom!" they heard someone call.

It was Paul. He was on the other side of the parking lot, waiting for a ride to the home of another young man in the program. He was being held by one of his belt loops.

"Dad!"

Bill and Julie knew they weren't supposed to have any contact with their son for several weeks. They weren't supposed to talk with him. They weren't even supposed to see him.

"Mom!"

But instincts took over. Julie, recognizing the voice, turned to look at her son. For a moment, Bill did, too, but then he reached for Julie, gently turned her away and steered her toward their car.

"Mom!"

They got in. They shut the doors and drove off.

By the time they got home, it was after 10 p.m. That was on a Monday. The following Friday, they were back again for a second parents' meeting, this time not getting home until almost midnight. The following Monday they were back again, and then Friday, and then Monday, and so it went, week after week.

They gave up their bowling league.

They sold their camper.

"I figured it was going to be two months and that's it," Bill said at one point. "Now I know that's impossible."

They began volunteering to work at the bingo game that Straight runs weekly to raise money.

Julie began going directly from her part-time bookkeeping job to Straight to be a "Runner Mom," which meant doing anything from addressing envelopes to going on errands.

They went to open meetings and learned to say "Love you" while hugging other parents.

And after the father of one young man in Straight sidled up to them one evening and said, "I didn't see you at the parents' weekend," they went to the next one on the schedule.

It was held in a church in downtown St. Petersburg. For two days, most of the parents of children in Straight had to act as if they, themselves, were enrolled in the program. They were led around by their belt loops. Julie couldn't wear makeup or jewelry. No one could smoke. They took part in "rap sessions," emotional discussions during which couples broke down as they talked about how miserable their lives had become and ended up in clinging embraces. "You'd be surprised what it did for some couples," Julie said, after it was over.

For her, one of the tougher parts was eating lunch. She made a peanut butter and raspberry jelly sandwich. She spent all morning looking forward to it. Then, Straight officials exchanged the lunches everyone had brought, and while she watched someone else enjoying the sandwich she had so carefully made, she ended up with another parent's concoction - plain old peanut butter on plain old bread, no jelly, dry and thin.

Opening their home

Then things really got difficult.

Fifty days after Paul entered the program, he was promoted to Second Phase, which meant he could begin sleeping at home instead of spending his evenings in the homes of other young men in Straight.

That's when the Kuleks became what Straight calls a "host home." That's when other young men in the program began spending their nights with the Kuleks.

At first, Julie resisted. "When I was first told I was going to be a host home, I said, 'No way I'm going to have a house full of druggies.'"

"But they said, 'What'd you have before?'"

So each evening, the Kulek house became home to three or four troubled young strangers. The robbers. The burglars. The arsonist.

Often, they came to the house right after being checked into the program, which meant they were usually high and often drunk. Some nights, Julie would be up past midnight listening to them pour their hearts out. One night, she had to help break up a fistfight. Yet eventually, she said, she realized all of the young men had their good sides: "These kids, no matter how rebellious they are, they're grateful that you would even take them in."

That realization, though, came later. First came profound changes in the way the Kulek household operated, changes based on the burden of having as many as five extra people under one roof and the concern that one of them might try to run away or hurt himself.

Doors were closed and bolted.

All sharp knives and scissors were locked in a toolbox and kept in a back room. "I go out back and get the knife, use it, wash it and put it back," Julie said, describing the process of slicing up tomatoes for a salad. "We don't even put it in the dishwasher."

Breakable drinking glasses were replaced by plastic cups; breakable

plates were replaced by paper ones.

Shampoo use had to be monitored because at another host home, a young woman had tried to make herself sick by drinking a bottle of it.

Visitors - including the fiance of Paul's older sister Jodie - weren't allowed in the house at night.

Loads of dirty clothes began piling up so quickly, Julie found herself doing a load a day. Electric bills went up. So did water bills. And grocery bills. And other bills. "'We've worn out I don't know how many towels,'" Julie said.

And, of course, everyone began saying "'door'" when opening the door. "'I have gone to the door when nobody's at home and yelled, 'Door,'" Julie said. "'I'm sure the pizza man must think we're crazy.'"

"'Sleep, work and Straight,'" Bill said, describing what life had become. "'I didn't think it would be as tough as it's been.'"

"'There's times when I'm tired, I don't want to be bothered, I just want to do my own thing,'" Julie said. "'But when you see all the changes in the kids . . .'"

Always, that's what Bill and Julie would find themselves thinking about. The changes. Every time they would begin thinking how disrupted their lives had become, they would remind themselves of how bad it had been when Paul was taking drugs. The fights. The screaming. The slammed doors. The tension.

"'I've had people say, 'How can you do this?'" and I say, 'It may take a year of my life, but it's giving my kid his life back,'" Julie said.

"'You change if it's going to help your kid out,'" Bill said. "'It's to help all of us, really.'"

A "better" family

Out of this chaos, then, a troubled family began healing. Paul got better, and so did Bill and Julie. Paul got nicer, and they did, too.

They became a better family. Not perfect: Jodie, Paul's older sister, often felt slighted by the amount of attention Paul was getting from her parents. "'If Paul has a problem, they hurry up and sit down and talk about it. If I have a problem, they don't,'" she said at one point. "'One night we got into a big argument, and I said, 'Just because I'm not in Straight doesn't mean I can't express myself,' and my father said, 'Why don't you be quiet - you'll upset everybody,' and I said, 'My God, I might upset someone from Straight ...'"

Not perfect - but better.

"'I've learned to listen,'" said Bill.

"'I think we all had a lack of communication,'" said Julie. "'We yelled at Paul, or he yelled at us. Bill and I yelled at each other, we'd have fights. Now, we talk a lot more. We've all learned to communicate better.'"

"'The best thing,'" said Jodie, who is a year older than Paul, "'is I have my brother back.'"

So it was that on a night when Bill could have been bowling or watching TV or - in the old days - down drinking shots at the bar, he went with his son to an Alcoholics Anonymous meeting, one of two such meetings Paul was required to attend each week.

Paul was the youngest person there, but he wasn't at all inhibited: When called on to speak, he talked at length about how both drinking and drug use had affected him. "'I'm Paul,'" he began, "'and I'm an alcoholic and an addict.'"

Then Bill was called on to speak. It was his first time ever at a meeting like this. Even when he was quitting drinking, he had never gone to one. He looked around the room at the lined faces and the tired eyes. He looked at the man who had said drinking had ruined his marriage and at the woman who had said her drinking caused her to

abandon her child. He looked at his son, so young looking, in the midst of all of them.

He cleared his throat and said, "I'm Bill, and I'm . . . the father of an alcoholic and an addict."

Paul said nothing.

Later, though, back at home, when Julie asked how the meeting had gone, he said, "Mom, don't you think Dad should have said he was an alcoholic?"

They were all in the kitchen. Bill sat at the table. Paul came up behind him.

"What'd he say?" Julie asked.

"He said he was the father of an alcoholic," Paul said.

Julie glanced toward her husband. He had come a long way since the day they had met. He had brought his drinking under control. He had learned to say, "I love you," to his son. His hair was beginning to recede and the wrinkles were growing deeper around his eyes, but he had been there for her and Paul all along. He had been thrilled when, a few weeks earlier, Paul had begun kissing him goodnight.

"Maybe you can get him to say it next time," Julie said to her son.

Paul shrugged and said nothing more about it. He began cleaning some dirty dishes while Bill lit a cigarette and Julie poured herself a cup of coffee. For the moment, it was quiet in the house.

Another day was drawing to a close.

Paul went off to get ready for bed. This night there were three young men staying with the Kuleks, and they followed him toward his room.

Of the three, one was from out of town and was staying with the Kuleks even though he was well into the program's upper phases. The other two were just beginning, which meant that if they had to go to the bathroom, Paul would have to go with them to make sure they didn't try to climb out a window. Then, in the morning, if Paul wanted to take a shower, they would have to stand outside the tub with arms draped over the curtain rod so Paul would know they weren't running off.

From down the hall, Julie could hear the sounds of Paul lifting mattresses, checking his room for any drugs the other young men might have tried to sneak in. She sipped her coffee. In a few minutes, she would have to go lock them in for the night.

A bit weary, she leaned against the refrigerator door where a list of house rules was posted:

Beds made in the morning.

Oldcomers get 7-minute showers, newcomers get 5 minutes.

Fifty pushups if "F" word is used.

"It's going to be so weird to lead a normal life," she said, thinking about the day when all of this would end.

Next: Relapse

The rules of Straight

After a child enters Straight, one of the first things his or her parents receive is a list of rules governing their behavior while their child is in the program. When the Kuleks had Paul admitted, they received a list of rules nine pages long. Since then, the rules have been rewritten and reduced to six pages. Among them:

Parent Group Sessions and Open Meetings for all parents are every Monday and Friday at 6:15 p.m. during phases one, two and three; every Monday and Friday as assigned during phases four and five.

During phases one, two, three and four, clients are not to leave the house or stop anywhere going to and from the program. First and Second Phasers may not receive telephone calls, letters, cards or gifts.

Parents should check before Open Meeting to see if their child has a "Want List," i.e., a list of items he/she needs, such as toothpaste,

deodorant, socks, etc. All clothing and personal articles must have the client's name on them.

Parents are not to call Staff in reference to their child's progress. Staff will provide (periodic) progress reports.

No guests or visitors of the client to Open Meeting until the client is on Third Phase without Professional Staff permission. Call 48 hours ahead for permission.

Parents and guests are asked not to enter the lobby dressed in shorts, bathing suits, midriffs, tank tops or tennis dresses.

Both parents must be in the home each night that the child is on First and Second Phase. In cases of emergency, these parents may submit travel plans and Staff may approve or deny this travel.

One day business travel - leaving home in the a.m. and arriving back at home same day in p.m. - will be allowed. Staff must be notified of travel plans so that parents may be contacted in case of emergency.

Vacation is permitted for families on Fifth Phase only.

Bring: spiral notebook; four pairs of pants; shoes; socks; jacket or sweater; five shirts; underwear; pajamas; robe; toothbrush; toothpaste; shaving equipment (disposable razors only); shaving cream (no aerosol); deodorant (no aerosol, plastic containers); comb; brush; shampoo (plastic container); personal hygiene items (no plastic tampons).

Do not bring: food; candy; gum; razor blades; magazines; books; cameras; tape recorders; radios; letters; photos; stuffed animals; shirts with drug-culture emblems; knives; sporting goods. Also: Do not put any type of medications in suitcase, please give it to the receptionist at the front desk.

SC: NATIONAL

PG: 1A

AT: drug health lifestyle change family

SU: Paul Kulek; Bill Kulek; Julie Kulek

TY: SERIES

CR: COLOR PHOTO, Eric Mencher; BLACK AND WHITE

PHOTO, Eric Mencher, (2); BLACK AND WHITE CHART, (2)

CU: Julie and Bill Kulek: "The hardest part has got to be the time involved;" The Kuleks in their den: Pleasant, cozy, a middle-class home all the way; Paul's sister Jodie, 18, says, "I have my brother back;" The rules of Straight, in a box, which is appended; A box explaining about the series, which appeared previously.

ED: CITY

St. Petersburg Times

Publication Date: 5/6/87

Page: 1A

HD: Going Straight // Part 4: A young man falls apart

BY: DAVID FINKEL

SE: Going Straight

EX: Part 4: A young man falls apart

The worst week in the life of 16-year-old Paul Kulek began when he opened the front door of his house.

It was almost 10 p.m. on Aug. 18, 1986, a quiet Monday night in the suburbs of north Tampa. Paul's father was in the kitchen, eating a late dinner at the formica-topped dinette, glancing at the paper. His mother was out walking the dog. She was only a minute or two down the street, probably nearing the corner, when Paul came down the carpeted hallway and eased the front door open.

He shouldn't have been anywhere near the door. He should have been back in his bedroom where his mother had left him, door closed, light on. He stepped outside and edged along the side of his house, away from the street lamps. He moved in shadows and cut over to a neighbor's yard. For a moment, he wondered if he was being foolish, if he could make it unnoticed back to his room, but then he cut through another yard, emerged on an adjacent street and started to run.

His mother, Julie, was gone 10 minutes at the most. When she came back and saw the front door open, she knew something was wrong.

"Paul?" she called. Her husband, Bill, came out of the kitchen.

"Paul?" she called again, louder.

She and Bill hurried up the hall to Paul's room, listening hard for him, alarm taking root, hoping he was only hiding. They looked in the bathroom - empty - in the den - empty - all through the house, in the front yard, in the back yard, in the bushes, up and down the street.

Full panic took hold now. Bill got in his pickup truck and began driving the neighborhood. Julie and Paul's sister, Jodie, got in another car and drove to the Farm Store, to the Circle K, to the Amoco, showing around a photo of a smiling boy with brown hair and baby skin. No one had seen him.

They called the police. Midnight came and went. They sat and waited for a phone call, or, better, for Paul to walk back in, to hug them, to hang his head and say he couldn't run away after all, that he loved them too much. Three a.m. came and went. Bill fidgeted. Jodie cried. Julie was quiet. Her mind, though, was busy.

With unnerving clarity, she saw her son as he had been a few months before: sitting around with his friends, smoking pot, sniffing cocaine, mean, defiant, high to the point of dizziness, his eyes shiny, his cheeks sunken, so skinny his ribs showed.

"Just looking very unhappy."

A perplexing act

The thing is, he had been doing so well. One hundred-forty days into a drug rehabilitation program called Straight, Paul had changed from a sullen, bristling young man into someone who paid attention, who smiled easily, who hugged his parents every night before bed and said, "I love you."

In Straight, one of the largest - and most controversial - drug programs in the country, such changes are part of how success is

defined. Undoubtedly in some cases, the changes are contrived; one of the first things a person new to Straight realizes is that the best way to get out of the program is to go along with it.

But in Paul's case, the program truly seemed to be working wonders.

For instance, to be called on to speak in Straight, a person has to show he wants to speak more than anyone else. The way this is done is by putting a hand in the air - not just lazily holding it up, but stabbing it up and down, waving it back and forth, pumping it like a piston. Paul learned to do this and more. He would wave his hand so hard that his chair would creak, his bones would crack, his fingers would snap. Sometimes, he would propel himself right out of his seat.

He was the same way when called on to talk. If he was depressed, he would let the tears flow, even though dozens of other teen-agers were watching. If he was happy, people could float along on his smile, it was so big.

All of this, then, made his running away that much more perplexing.

He had come so far. He had completed the first phase of the program, probably the worst time of all, a time of mandatory abstinence from home, parents, friends, TV and music.

He had completed Second Phase, which meant he was allowed to return home at night to sleep.

He had completed Third Phase, which meant a return to a special school at Straight.

He had been elevated to Fourth Phase, which meant having three days off from the program every week. He had only one more phase to go, a few months at the most.

"He's doing so well," Julie said proudly one afternoon. That night, he ran.

Out of control

Fifteen hours went by before Paul phoned home. Julie answered and breathed a sigh of relief when she heard her son's voice.

It was immediately clear to her, though, that whatever had driven Paul away was still in his mind. He sounded upset and on edge. He said he had been up all night. He offered no explanation for running, other than to say things had gotten to be too much.

He said that he had smoked cigarettes, that he had been offered drugs, that he had turned them down, that he was safe, that he was sorry, that he was coming home.

"You're going to have to go back into the program," Julie told him.

"Well, maybe I don't need it," Paul said.

"Well, I think you do," Julie said.

He came home. Late that afternoon, Paul, Bill and Julie returned to Straight. It was a tense return, however; even as they walked in the front door, Paul and Bill were fighting over whether Paul could bring cigarettes inside.

"You can't," Bill said.

"Go to hell," Paul said.

Less than a day had gone by, but everything had changed; the faces were proof. Paul's glow had turned into belligerence. Bill looked furious. And Julie looked devastated as she watched her son sign himself back into the program.

"Paul, glad to see you back, buddy," said the staff member who watched him sign in. "I'm proud of you."

"Yeah," Paul said.

"What drugs did you do?"

"Smoked cigarettes," Paul said. "Will I be able to eat something?"

He was taken to a bathroom to give a urine sample that could be tested for drugs (it was clean except for nicotine). He was taken from

there through a series of halls until he came to a huge room in the very back of the building. There, deep in the afternoon discussion, were the others in Straight, the other young men and women he had left behind.

Paul stood and watched a moment. He was led to a seat in the second row, on the aisle. A few people hugged him. One person patted him on the back.

"Don't do that," he said sharply.

He leaned forward and rested his head on the chair in front of him.

"Glad to see you back, Paul," said a young man in front of the group, a recent graduate of the program who was helping lead the afternoon discussion.

"Thanks," Paul said without lifting his head. His tone was mocking. The young man who had patted him on the back patted him again, this time harder.

"Don't," Paul said.

"Paul, why don't you settle down," the leader suggested. "The whole group knows you're back. Group, do you know Paul's back?"

Everyone in the room raised a hand in the air and looked at Paul, who looked back at them angrily. One young man came over to talk to him, but when Paul saw him, he stood up and began to run.

Immediately, chairs scraped back, and people jumped for him to keep him from getting away. Someone grabbed him around the waist, and Paul started to swing.

He was tackled by five or six young men, who pushed him backward onto the concrete floor. He strained against them to get up, but they were too much for him. He tensed so tightly he turned crimson. He began crying. He began spitting in their faces. "Shhhh," someone said to him, leaning close, trying to soothe him, but he was out of control.

Pinned on the floor, he growled like an animal. He spit at blurred faces and gasped for air as if he were being choked. He tensed so hard he began to quiver, and finally he let loose a sickening roar that echoed so loudly, staff members came running from every part of the building.

"Face forward! Let's have a song!" one of them yelled to the group, trying to divert attention from the pitiful spectacle of a young man falling apart.

Amazingly, everyone began to sing a song they had been taught about Straight, loudly and in unison. But even when their voices swelled, it wasn't enough to completely distract them from Paul as he continued to struggle in the back of the room, screaming, then just crying, then just shaking, then just breathing hard.

"Why'd you change?"

At Straight, where the pressures on a person can sometimes seem suffocating, behavior such as Paul's isn't common, but neither is it unheard of. This isn't a program for obedient and well-mannered children, after all, but for young, drug-dependent people who know how to taunt and how to fight.

Few enroll in the program voluntarily. Most are forced in by their parents, and some are there by court order, as a last chance before being sent to jail. On any given day, chairs might get thrown, people might get punched. And at some point, almost everyone in the program tries to run.

Of those who do run, most sink back into drug use as soon as they get the chance. Some just flirt with it to remind themselves of how it was, others stay with it. Some are gone from the program only a few hours, others don't come back.

In Paul's case, the theories to explain his behavior were many: He was especially immature for his age; he needed special attention; he was fed up with the incessant demands of the program. His only hint was

what he had said to his mother on the phone, that everything had simply gotten to be too much.

Surely there were deeper reasons, but whatever they were, they stayed hidden within him; meanwhile, he got worse.

He found a paper clip on the floor and began making scratches along the soft underside of his left forearm.

"What happened to your arm?" a staff member asked him.

"I cut it. Not bad," Paul said.

"Did it do what you wanted?"

"Yeah. It got the feelings out. They escaped right out."

He smiled. Later, though, he found a small piece of glass on the floor and began scratching the tops of his fingers until they bled.

Four days after his return to the program, Straight officials began wondering whether Paul was simply hurting himself for attention or whether there were deeper problems involved. His arms and fingers were a mess. He had been restrained several times each day for fighting, and once, when taken to a room to cool off, he had ripped out part of the ceiling.

Charles Larsen, a clinical psychologist employed at the time as Straight-Tampa Bay's associate director, wanted Paul taken to a hospital for psychiatric observation. "What Paul is experiencing is ambivalence," he explained. "On one hand, he knows he needs to be in the program, he knows he's chemically dependent. On the other hand, it's mighty appealing to be out there and have your freedom. What it does is tear you in half."

But Steve Knowles, the program's director, disagreed. "Paul," he said, "is suffering from two diseases: chemical dependency and adolescence." He decided to give Paul one more chance at that night's open meeting, the one time each week when all the people in Straight meet face-to-face with their parents in a giant assembly.

Paul was placed in the very back row, almost hidden from view. He watched as his parents and sister filed in with the others. When their turn came to speak, they stood, but he stayed in his seat.

"Paul, stand up, please," Bill said into a microphone that had been passed to him so that Paul and everyone else in the room could hear what he had to say.

Paul stayed seated.

Bill waited for him to stand. "You're just making an ass of yourself," he said.

Paul shook his head.

"Yes you are," Bill said quietly and passed the microphone to Julie.

Trembling a bit, she said, "We realize you're hurting, and we are, too. We love and support you and hope you can do it." Paul still didn't stand, but the smirk on his face disappeared.

Jodie took the microphone. "Paul, you were so strong," she said, starting to cry. "Why'd you change?" She began crying too hard to go on, and suddenly Paul pushed back his chair and ran.

Again, he was grabbed. Again, he was tackled. But this time, instead of being restrained on the floor, he was carried kicking and screaming from the room while a hundred people looked on, including Bill, who stared in disgust, and Julie, who put a hand to her mouth until she finally closed her eyes.

A call to police

This is what happened next:

Paul was carried to a far hallway and placed on his back on the floor.

Bill and Julie were brought to see him.

Bill knelt and held his son's face in his hands.

Paul looked in his father's eyes and said, "You f---ing

son-of-a-b-----."

Bill said, "'I still love you, Paul,'" and walked away.

Charles Larsen called Bill and Julie into his office and told them that Paul should be taken to a hospital for observation.

Julie, afraid of this, said, "'Will this alienate us from him?'"

Bill said, "'It doesn't matter. We've got no choice.'"

Larsen said, "'Do you want to take him in your car or do you think the police need to take him?'"

Julie said, "'Could I just talk to him first? I just think I could get through to him.'"

Larsen, not wanting to wait any longer, phoned the Pinellas Park police and said a young man at Straight needed to be transported to Morton Plant Hospital in Clearwater.

Julie said, "'He's listened to me, always. When he's high. When he's not high.'"

Larsen said, "'I'm sorry.'"

The police came and handcuffed Paul.

Julie wept so hard it seemed her grief would never reach bottom.

Paul was taken away.

Bill and Julie followed.

"I want to start new"

That should have been it. Paul was gone; so long, Paul. The group, no doubt, would survive just fine without him.

Yet three days after he was taken away, he was back again, standing before the group, asking for forgiveness.

In the hospital, nothing much had happened to him. He had calmed down. He had drawn a few pictures for a psychiatrist. He had talked to the psychiatrist, who said he was fine. Most importantly, he had been given time alone to put things in perspective, to balance the hardships of Straight against the sadness and dullness that previously had been defining his life.

One more try, he decided, might be a blessing.

So he was back, a subdued young man. He stood before the group with a sense of uncertainty, the surliness gone, replaced, it seemed, by doubt. Head down, voice quiet, hands jammed in pockets, he tried to explain how he was feeling. "'It's real scary coming back again,'" he said. "'I feel like people are going to hold grudges against me because of what I did. Now that I'm back, I'm just real scared about what people are thinking, that I'm crazy.'"

"'I don't want you to worry about that,'" a group leader said to him. "'People are damn glad to see you back.'"

"'I get this rage inside me,'" Paul went on. "'I don't know how to deal with it. I don't know what to do sometimes. I tell myself I'm going to sit here and make it, but then I get thoughts about just running for the door and getting out of here. I become embarrassed about these thoughts. I feel like I'm crazy or something. I guess that's why I was sent there to Morton Plant, because I have these kinds of thoughts. I was talking to the doctor there, he said, 'You need to work on these thoughts.' But I don't know how to deal with them.'"

"'You're not crazy,'" a young woman in the program said. "'You're a good person. I support you a lot. I care about you a lot, and I'm glad you're back.'"

"'I'm feeling real depressed over what I did,'" Paul said. "'I screwed a lot of people over. I want to stay away from how I was feeling. I want to start all over. I want to start new.'"

He took a seat and drew a breath. Deeper explanations would come later, but for the moment, he seemed a relieved young man.

"'We love you, Paul,'" the group said in unison. Several people came over and patted him on the back. This time, he smiled. Everyone put a hand in the air to be called on to talk, and he did, too. At

first he just held it there, but soon he was waving it back and forth, stabbing it up and down, pumping it like a piston. His chair creaked. His bones cracked. His fingers snapped. The worst week in his life was over.

Onto better times. Onto Day No. 148.

Next: A final attempt

A daily report

Each evening, all clients in Straight are required to write a ""Moral Inventory,"" or ""MI,"" in which they summarize their day, emphasize any good points from all that went on and set goals for the following days and weeks. This is the MI Paul Kulek wrote after his 37th day in Straight:

Challenge: This morning I was in a good mood when we got to the building. I felt like sharing feelings on misbehaving but I didn't (get called on) so I kept it in all day and I started to f--- around during morning rap and I fell into my pity and I hyperventilated and staff caught me and asked me why I was doing that and I said because I am frustrated and looking for a buzz. So after the person was done talking staff called on me and I started talking about missing my past and how I feel lonely and they said that a lot of people care about me and that when I told the group what I did I was embarrassed but I shared a lot of feeling about it and I got a little bit resolved. For the rest of the day I would do little s--- like talk out to newcomers and not motivate. But I didn't misbehave and I am doing pretty good except I am kind of sitting in my s---.

Good points: That I am setting an example with other newcomers. I am working and learning my new program. That I am caring more about people. That I shared feelings on how I didn't have friends in my past. And that I am 37 days straight.

Goals: I would like to talk to (another young man in the program) about my feelings toward misbehaving and how I feel about hyperventilating. I would like to go into group and talk about how I feel about maybe having to leave my host home.

Blessing: Dear God, please bless my mom, dad, sister, brother and the rest of the people I know.

About the series

This series was begun 16 months ago when officials of Straight, responding to a request from the St. Petersburg Times, consented to allow a Times reporter to follow a person through its drug-rehabilitation program. Among the conditions agreed to by Straight were these:

The Times would choose the person to follow.

The Times would have unrestricted access to the person.

The Times would be able to follow the person's progress from the moment he first entered the program.

Times reporter David Finkel sat in on several admission interviews before Paul Kulek and his family were chosen on March 31, 1986, to be the subjects of the series. While keeping continual track of Paul's progress, the Times decided not to publish any stories in the series until he had left the program so as not to interfere with his chances for success.

SC: NATIONAL

PG: 1A

AT: juvenile drug profile

SU: Straight Incorporated

TY: SERIES

CR: COLOR PHOTO, Eric Mencher; COLOR PHOTO, Cherie

Diez; BLACK AND WHITE PHOTO, Cherie Diez

CU: Paul Kulek; Several times a day, clients in Straight put their

arms around each other to show unity; To be called on to speak in
Straight, a person has to show he wants to speak more than anyone
else.

ED: CITY

St. Petersburg Times

Publication Date: 5/7/87

Page: 1A

HD: Going Straight // Part 5: After 376 days, "I made it"

BY: DAVID FINKEL

SE: GOING STRAIGHT

EX: Last in a series

On the day before his 16th birthday, Paul Kulek got a card with a letter tucked inside. "Dear Paul," it began.

It was from his mother. He knew it as soon as he saw the writing. Something about a mother's handwriting - it was as familiar to him as his own.

She wrote: "Sixteen years ago today, I gave birth to a beautiful baby boy. The moment I saw you, I loved you with all my heart ..."

She had written him a lot of little notes over the years: notes on birthday cards, notes for school. Never, though, had she written him a letter like this.

"Maybe I didn't always make the best choices, but hopefully you forgave me and I learned from my mistakes. I hope this time I made the right decision and that in time you will see it too. After sixteen years of loving you and watching you grow, I don't want to lose you ..."

He started to cry.

"If you are angry when you read this, please remember this birthday can be the beginning of a whole new life for you and those who really love you and care for you. We feel this is the best gift we could give you - our love. All my love, Mom."

She was right. He was angry at her. It was April 1, 1986, one day after he had been put into a drug rehabilitation program called Straight. He felt trapped. He felt betrayed. He felt furious. But when he was done reading the letter, he folded it carefully and kept it nearby as he slept.

The next day he read it again, and the following day again. It was with him as he went through endless counseling sessions. It was with him as weeks in Straight turned into months. And though ripped in places from folding and unfolding, it was still with him a year later, on the night of April 10, 1987, when his mother hugged him tightly, smiled with relief and whispered to him, "I love you."

A remorseful return

He made it. Three hundred seventy-six days after the start of his rehabilitation, Paul Kulek became one of the success stories of Straight. You could see it in his eyes. They were bright. You could see it in his face, which beamed. A year after entering the program, he was free of drugs and hopeful of staying that way.

"Some people do it on their own, some people do it with short-term programs, some people do it with long-term programs," he said. "I did it this way, and I made it."

"This way" was Straight's way, a program as long-term as they come. Month after month in Straight, a young person's self-concept is torn down as low as it can go and then rebuilt through intensive peer counseling. It is a wearying program, agonizing and tearful. Paul made it. But he almost didn't.

From his first day in, he was a sullen and troubled young man, and

after several months he simply fell apart. There had been signs it was coming. He had gotten into fistfights. He had found staples on the floor and used them to carve long scratches in the underside of his forearm. There was one stretch during which he settled down long enough to make some progress, but then he ran away from the program, explaining later that he needed to vanish for a while from its incessant demands.

He came back remorseful, but in fact he was no better. He fought and screamed and was sent off for psychiatric observation. He returned remorseful again, but soon he was back to his old ways. He taunted people. He threw things. So Straight officials, not knowing what else to do, sent him home.

That was in late August 1986, five months after Paul had first entered Straight. He went home gladly, but then it dawned on him that he was 16 years old and out of options. He had withdrawn from school to enter Straight; now he was on the verge of abandoning Straight as well.

He sprawled on the couch and watched TV. He fought with his mother Julie, who insisted on towing him along wherever she went. He fought with his father Bill, and his sister Jodie.

For three days he brooded, and then, realizing how badly things were disintegrating, he asked his mother to call Straight and see if they would give him yet another chance.

Maybe, Straight answered, saying the staff would need to discuss it. Call back later.

Three more days went by. Then, on Friday, Sept. 5, Straight said yes, he could come back, and the following morning, deerlike in his nervousness, Paul returned.

He was put back on First Phase, as if he were entering the program for the first time. He was patted down. He was strip-searched. He gave a urine sample and swore in a signed statement that he wouldn't misbehave. He was led by his belt loop down a hallway and into the room where the others in Straight were gathered. "'Hi Paul,'" they yelled in unison. One young man hugged him, and then another one did, and then he sat down and put his hand in the air to be called on to talk.

To anyone watching who had seen him before, he seemed a different young man entirely. He began trying so hard to succeed that he seemed on the verge of bursting. It was as if his deciding to come back, rather than his parents' pressuring him to do so, had made all the difference in the world. "'I just made up my mind I wanted to complete the program,'" he would explain later. "'I got tired of the old ways.'"

There was no stopping him.

He got through First Phase in 21 days; his first time around it had taken 50.

He flew through Second Phase in eight days and, during one rap session, surprised more than a few people when the discussion turned to goals:

"'I always wanted to be a drug dealer,'" one boy said.

"'I always said I wanted to die high and in bed with a girl,'" said another.

"'One of my long-term goals,'" said a third, "'was to burn in hell or something. Another, I talked about going to Disney World and doing acid or something. Another was to stay high the rest of my life.'"

"'I got a long-term goal,'" Paul said. "'I want to be a staff member.'"

People looked closely to see if he was kidding. He wasn't.

In Third Phase, which took him 21 days to complete, he returned to "'Straight school,'" a classroom within the building staffed by a Pinellas County teacher.

In Fourth Phase, which took him 94 days, he made plans to attend a vocational-technical school in Tampa.

Then came Fifth Phase and the start of his return to the real world. He had never been this far before.

He began attending vo-tech from morning until early afternoon, returning to Straight in time for the evening rap session. Straight continued to be a shelter for him, but his hours at school were something else. Kids would come back from lunch with beer on their breath or glassy-eyed from drugs, and he would see them and remember how it was for him.

Then, during a week-long vacation with his family in Detroit, he found himself at a hockey game, standing in line next to a man who was smoking some pot. The smoke drifted over and around him, thick and familiar. He moved away, but again, he couldn't help but remember.

Then, in bed one night, he had a dream.

"I saw myself getting high with other people. I saw myself sitting there smoking pot. It was like, This feels great! I knew what I was doing was wrong, though. Then, when I woke up, I didn't know if I had done it or not. I woke up and I thought I was high."

Half-asleep, he sat up in the dark, trying to get his bearings. Within seconds he realized it had just been a dream, but for those few moments, he was a petrified young man, afraid he had thrown away everything he had been working toward. He felt sick. Then relieved. Then sick again.

In early March, after he had been on Fifth Phase almost 50 days, he was accepted for staff training.

On April 2, 1987, he turned 17. He had been free from drugs for 368 days.

Eight days later, Straight officials decided the time had come for him to graduate.

The graduation

In drug rehabilitation, the most difficult thing to define is success.

"There are so many definitions of what success really is, I don't think anybody has a handle on it," says Harry Moffet, a program specialist with Florida's Department of Health and Rehabilitative Services.

"Success isn't clearly defined," agrees Matthew Glissen, founder of a Miami rehabilitation program called Village South. "Some of our most successful cases are the ones who didn't complete the program, and some of our most dismal failures are the ones who did."

"By no means," Glissen says, "should anyone equate the completion of a program with success."

At Straight, success is declared only when a person has remained free from drugs at least 12 months after he has left the program. The cutoff isn't arbitrary; during those 12 months, temptations return in force and willpower can easily break down. More than a few times since Paul entered the program, graduates of Straight came back for help, returning in far worse shape than they were in the first time they entered.

Technically, then, Paul wouldn't be a true success until he had completed a year of aftercare, including weekly meetings at Narcotics Anonymous. Yet looking at him on the evening of Friday, April 10, it was hard to think of him as anything else. By any standard, he was a changed young man. Straight doesn't work for everybody, but at that point it had worked for him.

He had kicked drugs. He had returned to school. He had gone from warring with his parents to arguing with them only occasionally. His face glowed so much it mesmerized.

"I would have been nothing," he said, thinking about how he might have ended up without treatment. "I know I would have been shooting up cocaine - one of my old druggie friends was doing it a week before I

went into the program, and if I was higher I think I would have done it, too. I would have been the same old Paul, getting high every day, doing drugs, nothing else."

Instead, he said, "I know myself now. I know how I am, what I need, what I want. I like myself a lot more. I basically have myself back."

Sitting in a blue chair near the others in the program, he watched the long line of parents begin filing in for the weekly Friday night meeting. Because he was in training to join the staff, he wore a tie, and his sneakers had been replaced by dress shoes.

He didn't know he would be graduating.

He knew he was close, but he didn't know when exactly it was going to happen. His parents did know, and they showed up for the meeting with five friends and relatives. Smiling, they walked in.

Paul saw them. And then he knew.

He watched them as they sat down. He grew teary. He fidgeted in his seat while the rest of the parents took their seats, and then, when his name was called out along with three other people who would be graduating that night as well, he rushed up to the front of the room with a smile that kept growing wider.

His family rushed up there, too, and when they got to him, they crowded around him in a knot.

They took turns embracing him. They took turns telling them how proud they were.

"I love you," his father said.

"I love you very much," his mother said.

"I never thought I'd make it," Paul said, laughing.

Holding onto each other, they began walking out while everyone else in the room - all the parents, all their children - applauded. Some of them cried, a mixture of happiness for the Kuleks and hope that they would make it, too. Several young men shook Paul's hand as he went by them, and one young man ran up and hugged him so hard, both of them almost tumbled to the floor. They laughed and slapped each other on the back, and Paul kept walking, turning around for one last look just as he got to the door.

He swept his eyes over the room, a room he knew as well as anything he had ever known in his life. He looked at the rows of blue plastic chairs where he had been sitting 10 hours a day, six days a week, for more than a year. He looked at the floor where he had been tackled when he tried to run away, and at the doors he had been trying to reach. He looked at the faces of the young people he was leaving behind.

Those faces - those were the most haunting thing of all.

From the day Paul entered the program until that moment, 233 people had been admitted to Straight, and in all of them there was a thread of continuity that was nothing short of amazing.

Like Paul, they had all come in scowling. Like him, they had sat in silence for a few days and then, tentatively, begun to talk. They had looked sheepish the first time they raised a hand into the air to be called on to speak, but then the sheepishness would disappear and their hands would become a blur. Smiles would creep in. Then tears. Then boredom. Then flatness. Then more tears. Then, if all went well, more smiles at the end.

On and on it went like this, month after month. Not everyone made it: Some left after a few days, some after a few weeks. Some left on their own, some were asked to leave. But empty chairs fill quickly at Straight, and the process continued on:

"This is Dan. He's done pot, alcohol, acid, mushrooms, cocaine, ups and downs."

"Love you, Dan ..."

"This is John. He's done pot, alcohol, inhalants, acid, cocaine,

prescriptions and PCP.""

""Love you, John ...""

""This is Rick. He's done pot, alcohol, LSD, PCP, hash ...""

Each time, the face may have been slightly different from the one that preceded it - blond hair instead of brown, brown eyes instead of blue - but in one other way it was the same face again and again. It was always young.

Paul stepped through the door. He was 6 inches taller than he had been when he came into the program. He had gained 35 pounds.

Another person who had graduated rushed up to him. She was jumping up and down. She was crying. She grabbed onto him. She hugged him. She couldn't hold still.

""We're out!"" she said.

"All right!"

Out.

It was cool. The sun was down. Palms rustled in the evening breeze.

Paul had a question:

Some people were going out for coffee and dessert. They were all graduates of the program. Could he go?

Julie looked at her son. Seventeen years and eight days before, he had come into the world pink and screaming, a healthy baby boy. Drowsily, she had cradled him in her arms, and then had listened happily as her doctor sang him a lullaby.

She had felt so much hope then.

And now, she felt so much hope again.

""What time will you be home?"" she asked.

""Probably around 1,"" he said.

""All right,"" she said.

""All right!"" he said.

He got in a car with two other people.

They rolled down the windows and turned on the radio.

They pulled out of the parking lot, laughing.

They made a right, speeded up and disappeared around a bend, one more carload of kids out on a Friday night.

About the series

This series was begun 16 months ago when officials of Straight, responding to a request from the St. Petersburg Times, consented to allow a Times reporter to follow a person through its drug-rehabilitation program. Among the conditions agreed to by Straight were these:

The Times would choose the person to follow.

The Times would have unrestricted access to the person.

The Times would be able to follow the person's progress from the moment he first entered the program.

Times reporter David Finkel sat in on several admission interviews before Paul Kulek and his family were chosen on March 31, 1986, to be the subjects of the series. While keeping continual track of Paul's progress, the Times decided not to publish any stories in the series until he had left the program so as not to interfere with his chances for success.

SC: NATIONAL

PG: 1A

AT: drug profile juvenile

SU: Straight Incorporated

TY: SERIES

CR: COLOR PHOTO, CHERIE DIEZ; BLACK AND WHITE

PHOTO, FRED VICTORIN, (2); BLACK AND WHITE PHOTO,

(2)

CU: Paul Kulek decides which of his former Straight classmates

may speak during rap session; Paul Kulek gets a kiss from his mother; Paul Kulek and his parents; Paul Kulek in 1986 when he was admitted into Straight Inc.; Paul Kulek in 1987 on graduation day from Straight Inc.
ED: CITY

the driver lost control while turn- underside of the tank." ang on C...

3B St. Petersburg Times Saturday, June 24, 1989

2nd Straight center gets limited license

Associated Press

ORLANDO — The state has given the Straight Inc. drug rehabilitation center in Orlando a license for three months rather than a year, citing concerns that include methods used to restrain patients.

It was the second 90-day license for a Straight facility. The criticism of this center is similar to that given the group's Pinellas Park facility, which last week also received a three-month license renewal.

The state Department of Health and Rehabilitative Services (HRS) typically renews the licenses of drug and alcohol rehabilitation programs for a year.

HRS issued a report on both centers after routine actions.

The HRS report on the Orlando center, based on an inspection from May 31 to June 2, criticizes Straight's methods of restraining and monitoring patients and what it calls inconsistent record keeping.

"The program's policy on the restraint is a potential problem, both from a liability and clients' rights standpoint, with the possibility of serious injury when clients are encouraged and, or allowed to physically restrain other clients," the report states.

Linda Hedden, Straight's vice president for resource development, declined comment on the report saying officials have not read it.

Straight was founded by Mel Sembler, a Treasure Island developer who has been nominated U.S. ambassador to Australia by President Bush.

Drug program to alter policies cited by HRS

By JOSHUA L. WEINSTEIN
Times Staff Writer

July 21, 1989

ST. PETERSBURG — A drug and alcohol treatment program has called state concerns about some of its practices "irrelevant and naive," but has nonetheless taken action to change or clarify those practices.

The state Department of Health and Rehabilitative Services (HRS) in June denied Straight Inc. a full license renewal because of concerns about restraining methods, client privacy and records maintenance. Instead of granting a one-year license renewal, HRS granted an 90-day interim license.

Straight is appealing the HRS decision, said Page Peary, the program's vice president for operations. Until the appeal procedure is over though, Straight intends to comply with HRS investigators' recommendations.

"We want to get back into the business of helping kids now," Peary said Thursday. "We don't want any kind of cloak of an interim license."

In a July 17 letter to HRS, Straight asked the state to re-inspect its program Aug. 1. HRS had planned a re-inspection Aug. 22.

Treatment in the 13-year-old Straight program can last a year or more and relies heavily on peer pressure.

Despite a \$220,000 lawsuit by a young man who claimed Straight held him against his will for several months and criticism that the program uses brainwashing techniques, Straight has expanded to eight cities in addition to St. Petersburg and has been certified by the Joint Commission of Accredited Hospital Organizations.

Among the concerns raised by HRS were that Straight used clients to restrain other clients, that it did not provide clients privacy in the bathroom and that it did not permit clients free access to telephones if they wanted to call HRS.

Straight now has written policies specifying that clients are to be granted access to telephones should they wish to call HRS, that they should have privacy in the bathroom and that they are not to be restrained by other clients except in special circumstances.

But Peary took strong exception to one of the bathroom concerns:

"It was noted that clients complained of constipation and general aches and pains in Phase I (of the program) but were okay when moved to Phase II," a May 23 HRS report reads. Clients' constipation, the report reads, "may also relate to the practice of observing clients while they are in the bathroom."

That comment, Peary said, is naive.

"They're concerned about constipation on first phase and we're concerned about saving lives. . . . Their concerns about constipation and those processes is really the very example, the metaphor I'm trying to draw, that shows their evaluation is really irrelevant and naive."

Straight was founded by St. Petersburg developers Mel Sembler and Joe Zappala, now ambassadors-designate to Australia and Spain, respectively. Sembler is chairman of the board of Straight.

Senate approves St. Pete's Zappala

By RAY LOCKER
Tribune Staff Writer

WASHINGTON — Joseph Zappala, the St. Petersburg developer criticized by some Democrats as unqualified to represent the United States abroad, was confirmed by the Senate Tuesday as U.S. ambassador to Spain.

Zappala, 56, was approved by a 79-20 vote. Florida's senators, Republican Connie Mack and Democrat Bob Graham, voted for Zappala.

Democrats led by U.S. Sen. Paul Sarbanes of Maryland had said Zappala's appointment was solely a reward for giving President Bush and other Republican candidates \$128,000 during the last campaign.

But Senate Republicans said his business background made Zappala a good candidate.

"Why should a successful businessman be denied the opportunity to serve his country?" U.S. Sen. Mitch McConnell, R-Ky., asked. "There is no doubt in my mind that Joe Zappala is qualified to serve his country and his president."

Mack said it is up to Bush to name the ambassadors he wants, and Zappala was the right choice.

"I am confident Joe Zappala will do an outstanding job representing President Bush and our country as ambassador to Spain."

U.S. Sen. Phil Gramm, R-Texas, acknowledged Zappala's lack of familiarity with the State Department but said Zappala knows the American way of life.

"I would rather have someone who understands our system, what we are all about, what we are trying to do, than have someone who knows all about the State Department," Gramm said.

Zappala is chairman of Joseph Zappala & Associates, a real estate development company, and has been called the "Grandfather of Condominiums" for his role in building the Gulf Coast condominium market.

Zappala also owns Home Town Investors Inc., which operates a large nursing home in St. Petersburg, and the Tucson Greyhound Park in Tucson, Ariz.

He moved to Florida to enter the real estate business after graduating from the New York Institute of Finance. He and wife, Carole, have four daughters.

Zappala has been publicity-shy, refusing interviews, since he was nominated for the ambassadorship. He could not be reached for comment Tuesday.

His nomination was approved by a narrow 10-9 vote in the Senate Foreign Relations in July after Sarbanes and committee Democrats led an effort to kill the nomination there.

But in the full Senate, the debate

was mild, despite an hour-long speech by Sarbanes Monday that dissected Zappala's record of political contributions and thin foreign policy resume.

He will fill the post left open since March, when former Ambassador Reginald Bartholomew was named assistant secretary of state.

Zappala's close friend and St. Petersburg business associate Melvin Sembler, also a generous GOP contributor, has been nominated as ambassador to Australia. Also like Zappala, he has been criticized for his lack of foreign policy experience.

A vote on Sembler's nomination has not been set.

Sarbanes, former diplomats and the American Foreign Service Association have criticized Bush's record of appointing too many political associates and contributors instead of career diplomats.

Since taking office, Bush has appointed 58 ambassadors to foreign countries. Of those, 36 have been political appointees, and 22, or 38 percent, have been career diplomats, according to State Department figures. Since 1961, no other president has appointed career officers to less than 61 percent of the ambassadorial openings.

Ambassador from St. Pete gets on with job

By NEIL COTE
Tribune Staff Writer

ST. PETERSBURG — Six months after arriving Down Under, the U.S. ambassador to Australia sees economic issues on the rise in global policy-making.

Melvin Sembler, the St. Petersburg businessman turned ambassador, has reason to be excited about this trend: His role of representing U.S. interests in Australia grows more important each day.

A former mall developer well-versed in international commerce, Sembler relishes a challenge and believes his impact is being felt in Canberra and Washington. Furthermore, Sembler says the business background that drew scorn during congressional confirmation hearings last year has since proved to be an asset.

"The issues today are focusing more and more on trade," says Sembler, who arrives in St. Petersburg this week for the first time since being dispatched to Canberra last fall. "As tensions ease around the globe, the focus falls on trade."

Already, Sembler's diplomatic skills have been tested by efforts to smooth economic controversies that threaten to cool the normally warm relations between the United States and Australia. The United States enjoys a \$4 billion trade surplus with the Australians and hopes to maintain it without disrupting Australia's economy and putting at risk bilateral defense agreements.

Once a protectionist nation, Australia is moving toward free trade, but believes the United States' agricultural policies are hurting its grain, beef and sugar industries. Sembler's role in the issue involves meeting with Australian industrialists and policy-makers, and trying to find common ground.

As Sembler explains, the role of an ambassador is to facilitate rather than create policy. He says he can best perform his duties by representing the American view and taking into consideration Australian concerns.

He prefers to keep issues separate, particularly trade and defense, the two most important connections between the United States and Australia.

Overall good relations between the two nations notwithstanding, there are plenty of disagreements, especially in economic matters.

The government-owned Qantas Airways is involved in a bitter dispute with United Airlines. Fearing that Qantas' Japan-Australia flights are threatened by United, the Australian government restricts the U.S. airline's New York-Tokyo-Sydney route to twice a week — a limit United calls economically unfeasible.

The United States and Australia also are at odds over the future of the Antarctic. Citing evidence that Antarctica is the world's weather factory and that even limited exploitation could upset its fragile environment and have global consequences, France and Australia favor a virtual hands-off policy. Sembler advances the United States' unpopular call for limited exploration, mining and research.

"It's a big continent, bigger than the United States," he says. "There's room for compromise."

Sembler also says being an ambassador is far more demanding than anything he did as a shopping center magnate. His responsibilities entail representing the United States and overseeing an embassy staff of more than 300 people.



Melvin Sembler's nomination drew plenty of critics.

Much of his time has been spent traveling Australia and becoming familiar with its six states and two territories. Protocol demands that he establish relationships with leaders of all areas and attend several receptions or banquets on an almost daily basis. He rarely is at the embassy in Canberra more than two days a week.

A multimillionaire who founded The Sembler Co. in Tennessee before moving it to St. Petersburg in 1968, Sembler now earns a more modest annual salary of \$82,500. It's still an enviable life.

"It's been a fascinating experience, and I highly recommend it," says Sembler, who shares the embassy's residential quarters with his wife, Betty.

The road to Canberra wasn't an easy one, however. Although the post of U.S. ambassador to Australia traditionally has been a plum assignment for a presidential supporter, Sembler's nomination aroused considerable opposition from some congressional members and foreign service veterans.

Sen. Paul Sarbanes, D-Md., was the most vocal critic, alleging that Sembler and another Tampa Bay businessman, Joseph Zappala, now ambassador to Spain, were nominated solely because they contributed heavily to President Bush's 1988 campaign. Several organizations of foreign service experts also opposed their nominations, and the comic strip "Doonesbury" satirized the process.

"When you get out of the private sector and into the political arena, you have to expect that," says Sembler. "George Bush knew who I was, and the Australians like my wife and I. We haven't had any negative press coverage. And Sarbanes? He didn't even know who Sembler was. He was off all by himself."

A spokesman for Sarbanes reiterated the senator's position.

"The point he made was not that they'd embarrass the country, but that with their lack of qualifications, they'd likely miss opportunities," said Bruce Frame.

Malcolm Toon, a former ambassador to four nations who also opposed the two nominees, said while he hadn't followed Sembler's performance, "I think the Australians are getting tired of having some political hack as ambassador," he said. "In the past 20 years, we've only sent one qualified professional there."

But Sembler, as well as Zappala, seems to have learned the first lesson of diplomacy, which is to forgive and forget. He said he bears no grudges toward his detractors.

Envoy praises Australia, U.S. ties

By GILLIAN GAYNAIR
Times Staff Writer

ST. PETERSBURG — The United States should continue its relations with Australia and persevere in its fight against drugs, the U.S. ambassador to Australia said Wednesday.



**Mel Sembler
was appointed
by President
Bush in
October.**

"Congress is not doing enough or passing enough laws. . . . You've got to get tough with the drug problem in the U.S. or it's going to eat us up," said Ambassador Mel Sembler, speaking to a home town audience

at the Tiger Bay Club at the St. Petersburg Hilton Inn and Tower.

Sembler, a shopping center developer and chairman of the Sembler Co., was appointed by President Bush in October. At the time Senate Democrats criticized his lack of foreign policy experience, and some questioned his contributions of more than \$100,000 to Bush's 1988 presidential campaign.

"You've got to get tough with the drug problem in the U.S. or it's going to eat us up."

— Mel Sembler

Sembler, who established Straight Inc., an alcohol and drug rehabilitation program, said he believes this country's anti-drug messages are having an impact, but he criticized U.S. officials for not doing enough.

Sembler also said he was impressed with various American agencies represented in Australia, mentioning military personnel and one of the three NASA space tracking stations. He also stressed that the success of U.S. organizations depends greatly on the relationship between the two nations.

"I don't know any closer association between nations than the one between the United States and Australia. . . . We share the same democratic heritage and respect for humanity and human rights," he said.

"Let me assure you that I'm optimistic with the valuable relationship between the U.S. and Australia. . . . It's anchored in friendship and mutual values," Sembler said. "We will be working hard to assure this valuable alliance with our good friends Down Under remains strong."

Ambassador talks business

St. Petersburg developer comfortable after a year in Spain

By STEPHANIE TRIPP
Tribune Staff Writer

MADRID, Spain — A little more than year ago, Joseph Zappala was under a political microscope.

The U.S. Senate was deciding whether to approve the longtime St. Petersburg businessman as ambassador to Spain. A senator from Maryland was criticizing President Bush's choice of Zappala as a political reward.

Now, with a 79-20 approval vote from the Senate and a year on the job under his belt, the 57-year-old ambassador seems well-

“The Fortune 500 companies have known Spain since the end of World War II. Now a goal is to make Spain known to more medium-sized and small businesses.”

— Joseph Zappala
U.S. ambassador to Spain

settled in his new career as diplomat.

He played the gracious host last month when a trade delegation from his hometown arrived in Madrid. The hospitality included a continental breakfast, a full brief-

ing by his staff and an extravagant reception including some of the city's most notable political and business figures.

In an interview at his home in April, Zappala said his experience as a businessman is key in his new

job.

Indeed, much of Spain's story during the past five years has been that of the country's remarkable economic performance. In 15 short years the country has gone from totalitarian isolation to a rising star in Europe's economic arena, averaging growth in gross domestic product of 5 percent a year over the past four years.

The country's admission to the European Community in 1986 has pulled it into the political mainstream and has given it many op-

See AMBASSADOR, Page 2E



Joseph Zappala, U.S. ambassador to Spain, says he wants to help small- and medium-sized businesses get a foothold in the Spanish market.

Ambassador says wealth of opportunities awaiting small firms in Spanish market

■ From Page 1E

portunities for economic development.

“A lot of energy for the growth of Spain comes from investment inside and out,” Zappala said.

It is in recognizing opportunities and building relationships among U.S. and Spanish business interests that Zappala views as his strong point.

“The Fortune 500 companies have known Spain since the end of World War II,” Zappala said. “Now a goal is to make Spain known to more medium-sized and small businesses. We have an embassy here that's both equipped to handle medium-sized and small-sized businesses.”

The ambassador also stressed the importance of increasing cultural ties and educational ties with Spain.

Already this country's Fulbright fellowship program with Spain has grown to one of the largest in the world, with a budget of nearly \$10 million for the current academic year. Student exchanges between the two countries also are growing in popularity.

Zappala also noted two cultural links that had just been completed in March: The National Gallery of Art in Washington, D.C., and the Guggenheim Museum in New York had signed exchange agreements with the Spanish Ministry of Culture.

“That was a difficult thing that took place (the United States' invasion of Panama). A comment I use is, ‘Good friends sometimes disagree,’ and I guess Panama was one of those times when maybe we had a disagreement.”

— Joseph Zappala
U.S. Ambassador to Spain

Opportunities for further exchange will increase many fold in 1992, when Spain hosts the Summer Olympics in Barcelona, the World's Fair in Seville and celebrates the 500th anniversary of Christopher Columbus' voyage to America.

As ambassador, Zappala said he plans to go all-out on U.S. participation in those events.

“I want to assure that we are represented in Spain during that festive year by the best America has to offer,” Zappala told the U.S. Chamber of Commerce in March.

Giving that speech to the chamber, Zappala said, was one of the biggest thrills in his life.

It wasn't the subject matter or the audience that made it so important, but the location.

A born New Yorker who made his fortune in Florida, the ambassador was invited to return to the Big Apple and deliver his speech at the Plaza Hotel — a youthful dream come true.

Zappala's toughest time as U.S. Ambassador came late last year when Spain was among many nations condemning the United States for its military action in Panama.

Spain's historical relationship with Panama brought a lot of outcry against the U.S. in this country and protesters picketed the embassy in Madrid for several days.

“That was a difficult thing that took place,” Zappala said. “A comment I use is, ‘Good friends sometimes disagree,’ and I guess Panama was one of those times when maybe we had a disagreement.”

Still, the rockiest time for Zappala still seems to be those first weeks in the spotlight when he went from being a successful, low-key businessman to being a magnet for criticism and even a few jokes.

During those tough weeks, Zappala won the dubious honor of being a target of rapier-witted cartoonist Garry Trudeau. Zappala took the hit, well, like a diplomat.

“To tell you the truth, I loved it,” Zappala said of the mention in Doonesbury. “I had a great chuckle with the friends and family and said, ‘That's part of the turf.’”

While Zappala had no history of diplomatic service, he did have experience living abroad. He spent 2½ years in Germany in the early 1950s on a military assignment. He's traveled through Spain in the past.

Spanish lessons remain a part of the ambassador's daily regimen. His comprehension of the language is nearly 100 percent, he says, but in speaking he sometimes confuses words with Italian, which he speaks fluently.

He boasted in April that Spain's Queen Sophia praised a recent speech of his for its flawless Castilian Spanish.

Zappala begins his days at 8 a.m. and usually leaves his office around 7 p.m., usually to attend one of the myriad social functions that are a central part of his role in Madrid.

It's a busy schedule, but the ambassador seems more energized than wearied by it.

“It's a lot, but I enjoy it,” he says.

On a spring trip to the U.S. he went through five states in six days.

“I like traveling — my wife does, as well,” he said. “Jet lag doesn't bother me. I've got a constitution like a horse.”

September 15, 1990
3-B

Ambassador's sister held in drug case

ASHEVILLE, N.C. (AP) — U.S. Magistrate J. Toliver Davis refused bail Thursday to a woman — identified as the sister of the U.S. ambassador to Spain — charged with money laundering and trafficking in cocaine.

Davis ordered Angela Zappala Lee returned to the federal Central District of Illinois in Springfield. On Aug. 23, a grand jury there indicted Lee and 23 others on the money and drug charges, alleged to have occurred between fall 1987 and summer 1988.

As part of the alleged money laundering, Lee bought \$41,722 worth of Western Union money orders. The indictment does not say where the money was sent.

Appearing in federal court in Asheville on Thursday, the 58-year-old Glenville waitress — identified by her attorney as the sister of Ambassador to Spain Joseph Zappala, a Pinellas County developer — said she would not oppose extradition. She was one of three defendants a federal judge in Illinois recommended be held without bail, according to an assistant U.S. attorney.

Asking for bail, Lee's attorney, Jim Caltagirone of Tampa, said Lee had offered the government "substantial assistance" by testifying in five trials in Hillsborough County. He said Lee intended to cooperate with federal prosecutors in connection with the Illinois charges.

wine as he d.

ster Baynard pointed out

manason to enjoy the suspension. "has already suffered penalties from. duct and is "without wheels anymore."

Straight tells staff not to talk

'I do feel like it (warning) is to quiet us up and frighten the parents on the program,' says Carolyn Henson, former Straight volunteer.

By WILLIAM NOTTINGHAM
St. Petersburg Times Staff Writer

Straight Inc. has sent letters to its current and former employees warning them not to reveal information about the drug treatment program because doing so could violate state confidentiality laws.

The letter also went to parents who have children enrolled in the program.

Some recipients say they believe the letter is meant to intimidate them from speaking out about Straight, which is under investigation by state health officials.

"IT HAS RECENTLY come to our attention that some of our past employees and-or directors have been releasing information about the treatment and identity of some of the persons treated at our Center," wrote James E. Hartz, Straight's executive director.

Should program officials learn of potential violations, Hartz wrote, "Straight Inc. shall do what it deems necessary to protect its best interests."

"I think they (Straight officials) are just trying to keep people quiet, because they don't want it to come out, what's going on over there," said one parent who asked not to be identified.

The letter is dated Feb. 10 — two days after Hartz was interviewed by *The St. Petersburg Times* concerning allegedly coercive and possibly illegal tactics used on Straight's juvenile clients.

The interview was reported in a copyrighted article that appeared last Sunday in *The Times* and quoted several sources, including unnamed former program counselors.

Hartz was unavailable for comment on the letter.

Based in a warehouse just north of St. Petersburg, Straight uses peer pressure and behavioral modification techniques on juveniles from 12 to 18.

Last December state officials who oversee the program's operating license began to investigate complaints that some Straight clients had been mistreated.

THE INVESTIGATORS ultimately said they could not prove any mistreatment charges. But they scolded Straight for apparently holding some clients against their will in violation of another state law.

In the letter, Hartz quoted portions of the confidentiality statute, which prohibits drug program employees or volunteers from revealing a client's name "except in a proceeding involving the question of licensure."

"I do feel like it (the letter) is to quiet us up and frighten the parents on the program," said Carolyn Henson, a former Straight volunteer.

"I think it's to keep them (parents or employees) from bringing their complaints to HRS or the newspaper or anyone else," she said.

Straight Inc. Picks Site For Rehabilitation Center

Straight Inc., a drug and alcohol treatment program for pre-teens and teenagers, will locate a rehabilitation center on five acres near Largo.

Program President Mel Sembler said a site at 122nd Avenue N. south of Ulmerton Road, had been acquired from the Catholic Diocese, and Straight will build a \$350,000 one-story building at the site by the middle of next year.

The Spanish motif center will have a 500-seat auditorium, "rap rooms," intake rooms and a clinic, Sembler said. Blueprints were prepared by Mudano Associates of Clearwater.

Straight was begun September 1976 by local pro-

fessionals and businessmen to replace a program called "The Seed."

It is a private, non-profit corporation that receives federal grants from the Law Enforcement Assistance Administration and is monitored by the State Health and Rehabilitative Services department.

Straight recently was cleared by the State Attorney's office of charges that some patients were victims of unusual treatment methods. One of the charges leveled against Straight was that youths were made to perform mental tests to embarrass them.

Previously, Straight operated in a northwest St. Petersburg warehouse dur-

ing the day and, at night, at foster homes run by parents of patients.

"Since our beginning two years ago, we have been moving around, living off the charity of the community," Sembler said in a press release. "Now, we will at long last have a permanent home."

Sembler also announced the start of a fundraising drive to build and operate the new center.

April 12, 1978

local

'We're not viewing (Straight's) past sins relative to this license. We can't under the law.'

— Lucy Hadi, HRS district administrator

Straight Inc.'s license extended

■ Straight Inc. is a drug treatment program in Pinellas County that uses peer pressure and behavioral modification techniques on juveniles 12 to 18 years old. In recent months it has been under investigation by state health and administrative officials. ■

By WILLIAM NOTTINGHAM
St. Petersburg Times Staff Writer

Straight Inc.'s temporary operating license was again extended up to 90 days Tuesday while state officials reaffirm that program clients know their legal rights.

Once two sections of policy are revised, the drug program probably will have its full one-year license restored.

THE LICENSE restoration could occur within the next 30 to 45 days, said an official with the Department of Health and Rehabilitative Services (HRS).

That would effectively end HRS's four-month investigation into Straight, which has been operating under a temporary license for the last 90 days. But questions of impropriety — including possible criminal misconduct — continue to hang over the drug program.

Others investigating Straight are Pinellas-Pasco State Atty. James T. Russell and state officials responsible

for a \$50,000 federal grant to the program.

"They (the questions) are ones dealing with the prior period (before HRS began its investigation)," explained Lucy Hadi, acting District 5 administrator. "Licensing (HRS's responsibility) has to deal with the current period."

"We're not viewing past sins relative to this license," she said. "We can't under the law."

In a letter Monday to Melvin F. Sembler, Straight's board president, Ms. Hadi wrote that the program is "in compliance with all but two items" in an 18-point monitoring plan drawn up by HRS in February.

THAT'S WHEN HRS found that some Straight clients may have been illegally held in the drug program against their will. Straight since has told HRS that all clients — except those ordered there by judges — can leave whenever they like.

But some clients and their parents apparently don't completely understand how that procedure works, Ms. Hadi said.

Straight also must modify its "strip and search" guidelines, Ms. Hadi said.

When a client enters the program, he is ordered to disrobe so counselors can search him for smuggled drugs. Straight's policy does not explain what

counselors would do if a client exercised his legal right to resist the search.

Straight's "treatment planning process" also fails to conform with state regulations, Ms. Hadi said, and should be modified so clients have well defined treatment goals.

In the letter, Ms. Hadi praised "the strides made by Straight Inc. during the past ninety days."

Because of the program's complex behavioral modification techniques, she said, Straight's professional advisory board of psychologists should be more involved in treatment practices. HRS regulations merely require that a drug program HAVE a professional advisory board, she said.

Sembler, asked about the program's second temporary license, said, "We're not happy about it." But he added, "I'm sure we'll have full licensure."

MS. HADI said some of Straight's operating problems occurred because HRS failed to provide the program with adequate "technical assistance."

As a result, she said, HRS has beefed up its drug-abuse licensing committee from seven to 11 persons and is revising its monitoring methods.

"We have learned a lot through this process (of investigating Straight)," she said.

Payments to Straight drug program suspended

■ *Straight Inc. is a drug treatment program in Pinellas County that uses peer pressure and behavioral modification techniques on juveniles from 12 to 18. In recent months it has been under investigation by state health officials. Now, other agencies have begun questioning its operation.* ■

By WILLIAM NOTTINGHAM
St. Petersburg Times Staff Writer

Federal grant payments to Straight Inc. have been suspended "because of continuing allegations" and "conflict-of-interest questions" overshadowing the program, a state official said Thursday.

Although the payments could resume if the allegations are proven false, the official described the action as "serious."

"Yes sir, we don't suspend someone's funding lightly or whimsically," said Dr. John H. Dale Jr., assistant chief of the Bureau of Criminal Justice Planning and Assistance.

"IT'S NEVER A light or capricious action ... you're talking about people's paychecks."

Of the \$50,000 grant to Straight, \$5,000 remains to be disbursed. Dale said that money was being withheld because "it's easier to hold money than it is to get it back."

He explained that if officials find that Straight improperly used the grant, they could order the program to return some of the money to the government.

Dr. Leon Sellers, a member of Straight's governing board, also confirmed to *The St. Petersburg Times* Thursday that the program has employed children of three current or former board members — Richard G. Batchelor, Helen R. Petermann and Marlene Hauser.

SUCH EMPLOYMENT may violate federal conflict-of-interest law, state officials said. And that is one reason the grant payments were stopped.

But Sellers said the three relatives were not hired out of favoritism, but instead were "selected on the basis of merit."

Dale and a high-level official with the State Department of Health and Rehabilitative Services (HRS) — which has been investigating Straight for several months — plan to visit the program Tuesday to investigate.

They also will question why out of Straight's more than 450 clients, only one has been black, said Dale.

"Anytime public confidence in a program is questioned, there's a reason for it," said Dale. "We assume where there's smoke there's fire."

SINCE LAST SPRING, Straight has been receiving monthly payments from a \$50,000 Law Enforcement Assistance Administration grant. The money is used to pay employee salaries, and it is controlled by Straight's governing board.

Federal regulations bar any official from participating in proceedings involving grant money "where to his knowledge, he or his immediate family ... has a financial interest."

In January, accountants with the city of St. Petersburg — which helps administer Straight's grant — discovered that the money had been improperly comingled into a single bank account. The accounts since have been separated.

Straight's executive director James E. Hartz declined to comment for this article, despite repeated requests from *The Times*. A spokesman for Hartz asked that a reporter submit his questions in writing.

Earlier this month, the spokesman made a similar request when *The Times* sought Hartz' comment for another article. Though the newspaper complied, Hartz never responded.

IN A MEETING with *Times* editors last week, Hartz and several Straight board members complained that the program had been given unfair treatment in recent news articles. They insisted that they wanted to be open and candid about Straight's operation.

One board member present at that meeting was treasurer John White, a financial official with the city of St. Petersburg.

White said Thursday that the grant suspension probably would not hamper Straight's immediate operation. He also said he thought the suspension was unnecessary.

"But I don't know what all is involved," he said. "All I've got basically is what I've read in the paper."

"I'm not involved in the program on a day to day basis."

IN A RELATED development, recently fired HRS administrator Robert G. Marshall — the man who ordered the initial Straight investigation — has questioned whether complaints from Straight officials sparked his dismissal.

A spokesman for HRS Secretary William J. Page Jr. denied that the firing was related. But the spokesman conceded that Straight officials had complained about Marshall.

Board member White said that on one occasion a Straight official did complain to Page. But he said, "I don't know who it was ... I wasn't there."

Interesting!

St. Petersburg Times

Publication Date: 2/20/87

Page: 17

HD: Straight brings its drug fight to county

BY: WENDY WEYEN

DL: TAMPA

EX: TAMPA - Straight Inc., a nationally known drug program based in St. Petersburg, announced Thursday it has opened an office in Hillsborough County.

The office, at 4819 E Busch Blvd., will make it easier for residents of Hillsborough County to find out more about Straight, said Joan Street, director for community services for the drug-treatment program.

Some follow-up counseling will take place in the new Hillsborough office, which has been open for about two months. Most of the treatment for bay area young people, however, will continue to take place in the Pinellas Park office, Street said.

More than 60 percent of the young people treated at Straight's Pinellas County office live in Hillsborough, Street said.

"We wanted a facility that would be more convenient to families in Hillsborough, especially the northern part of Hillsborough County," Street said.

Straight describes itself as a family-oriented drug rehabilitation program for drug users between the ages of 12 and 21. The program has been controversial, because Straight accepts children against their will.

The 1st District Court of Appeal in Tallahassee ruled in support of that practice in January. The court declared parents can force their children into drug-treatment facilities without their consent or a judge's order.

Officials with the Hillsborough County schools said Thursday they did not think Straight had received approval to give presentations in county classrooms.

"As long as it's a quality program and meets the standards and guidelines that we all must follow, that's fine," said Bob Patterson, coordinator for the elementary health program, which includes drug-awareness programs such as those through the C.E. Mendez Foundation Inc.

"We need all the resources available in this area," said Okie Fletcher, supervisor for the district's health education.

Fletcher added, however, that he did not want to use the school system as a referral agency.

"I'm somewhat reluctant to open up the classroom for agencies whose objective is a commercial venture as such," Fletcher said.

Street, however, said Straight already has made some presentations in Hillsborough schools. She said she was scheduled to give three half-hour assemblies at Plant High School next week.

SC: TAMPA

PG: 17

AT: drug opening

ED: CITY



Mel Sembler
Sembler Co.

^{Dec 26, 1987}
Appointments

Sembler Co.: Mel Sembler, chairman of the Sembler Co. in St. Petersburg and chairman of the board of STRAIGHT Inc., has been named by President Reagan as a conferee to the White House Conference for Drug-Free America.

Jury awards \$721,000 to ex-client of drug treatment program

MIKE COPELAND
Tribune Staff Writer

ST. PETERSBURG — Jurors Thursday awarded a woman \$721,000 after agreeing she was assaulted and held against her will at least 10 years ago by employees of the night Inc. drug treatment program.

Karen Norton fought back tears, hugged lawyers and thanked jurors after the ruling award — the largest ever in the night's controversial history and \$55,000 more than her lawyers asked for.

"At last someone listened to me," said Norton, 25. "I'm happy. I waited a long

time."

The three-man, three-woman jury decided in a little more than two hours that Straight was liable for assault and battery, false imprisonment, negligence and intentional infliction of emotional distress.

Jurors said Norton should receive \$106,000 in compensatory damages for her 17-month ordeal as a client of Straight. They awarded \$615,000 in punitive damages.

A mediator once recommended that Norton be given \$12,500 to settle the 5-year-old lawsuit, said William Ruiger, Straight's Clearwater lawyer. But Straight and Norton

couldn't agree.

Senior Judge Joseph P. McNulty told jurors their verdict "is certainly justified in the evidence."

Straight spokeswoman Joy Margolis said Thursday night the organization will appeal the award.

The compensatory damages were excessive and the punitive damages were inexcusable," Margolis said. Noting that the dispute involves incidents that occurred eight years ago, Margolis said, "Straight is a completely different organization from what we were then."

"We're very sorry to see this happen

because we have helped thousands of families and kids get off drugs, and it's a very worthwhile program," Margolis said.

Norton's lawsuit said she was harassed, embarrassed and mocked by Straight employees bent on humiliating and upsetting her. She said she was forced to remain in the program — where relatives had placed her — despite repeated pleas to leave.

She was thrown up against a wall by the program's assistant director, strip-searched and jeered by staff members, intimidated, bruised, cursed and forced to exercise despite complaining she was in pain, according to her lawsuit.

"What we were really against, basically, was that she was 16 years old and that she was not permitted to leave," juror Katherine Haynes of St. Petersburg said Thursday.

Straight attorney Ruiger told jurors that "confrontation" was essential for effective drug treatment.

Ruiger also emphasized during closing arguments Thursday that Straight's approach to drug treatment has evolved dramatically since the "horse and buggy" days when Norton was admitted.

Karen Barnett, one of Norton's lawyers

See DRUG, Page 1

Drug program to appeal award

■ From Page 1B

told jurors Straight had no business "experimenting with human life."

The national program, founded in 1972, is headquartered in St. Petersburg.

Straight has agreed to pay tens of thousands of dollars in settlements to other former patients who complained of being held by Straight against their will.

One former patient was awarded \$220,000 in 1983 in a federal lawsuit.

In 1984, Straight officials were warned by the Florida Department of Health and Rehabilitative Services

(HRS) to stop coercing teen-agers into drug treatment or risk losing their state license.

Last year, Straight's license to operate in Florida was renewed by HRS for three months instead of the customary year. HRS cited a state report that patients only had limited access to an abuse hot line, bathroom privileges were restricted, and some records were sloppy or incomplete.

But the license has since been renewed twice — each time for a full year, HRS district spokeswoman Elaine Fulton-Jones said last week.

"We've had real success in working together with them," she said.

Straight client wins her suit

St. Pete Times Nov. 10, 1990

■ The woman alleged she was abused and kept in the drug-treatment facility against her will.

By MARK JOURNEY
Times Staff Writer

ST. PETERSBURG — Karen Norton still cries when she talks about being forbidden from seeing her dying grandfather while she was in treatment at a Straight Inc. drug rehabilitation program.

As a result of her 18-month stay at the St. Petersburg facility when she was 17, she still has nightmares, is fearful of counselors and has trouble dealing with her anger. Norton says she was battered and kept at the facility against her will.

"It's something that will affect for the rest of my life," Norton, 25, recently told a six-member jury.

The jurors agreed. Thursday, they awarded her \$721,000, the largest award ever against Straight Inc., said Karen Barnett, Norton's attorney.

"In theory and on paper, this place looks great," the attorney said. "The problem is they don't follow their own policies or proce-

dures."

In her lawsuit filed in 1985, Norton alleged the former director, Virgil Miller Newton, grabbed her and threw her against a wall, screamed that she no longer had "any rights" and told her she would not be allowed to leave the facility.

Norton, who now lives in Jacksonville, said she was denied health care and once collapsed and had to be rushed to a hospital for an emergency appendectomy. She also claimed she was subject to incompetent staff members and other clients who helped control the other teen-agers in treatment.

In her most dramatic testimony during the nine-day trial, she told jurors how she was not allowed to visit her dying grandfather in Jacksonville. When he died, Norton said she was not told about it until after the funeral two weeks later.

After turning 18, Norton said she fled the facility.

Joy Margolis, a spokeswoman for Straight Inc., which operates eight facilities nationwide, denied Norton's charges and said Straight has changed much since Norton was placed in the program by her parents eight years ago.

"The Straight program was to-

tally different from what it is now," she said. "No one in current management was here in 1982."

Margolis also said Straight since has been accredited by the Joint Commission on Accreditation of Health Care Organizations and its counselors are certified.

Barnett said jurors awarded Norton \$106,000 in compensatory damages and \$615,000 in punitive damages.

"We thought that compensatory damages were excessive and we thought the punitive damages were inexcusable. . . ." Margolis said. "We thought it was a very unfair ruling (verdict)."

Margolis said Straight would appeal the decision to the Second District Court of Appeal in Lakeland.

Barnett conceded it likely will be several years before Norton receives the money, but noted it will collect 12 percent interest while the outcome of the appeal is pending.

"It was great," said Barnett, who has handled three other cases against Straight. "I just can't see where there was any (legal) error. The facts were there to support every last dollar."

HRS examines some aspects of program

■ From Page 1B

lem teen-agers — a practice HRS "unilaterally opposes," said Michael Becker, district administrator for HRS in Pinellas and Pasco counties.

Several other instances of patients restraining patients were found during the review, according to the report.

Becker said HRS officials are changing the state's administrative code to prohibit the practice, which often can lead to injury.

"For us, it's a serious concern," he said. "A lot of it is involved in their concept of peer counseling. But it takes peer counseling a step beyond what it should be."

Sembler, a shopping center developer from Treasure Island who recently was picked by President Bush to be the ambassador-designate to Australia, founded Straight in 1976. The program started in Pinellas Park and has expanded nationwide.

Straight treats 12- to 21-year-olds by using intense peer pressure, rigid house rules and counseling methods similar to those used by Alcoholics Anonymous. The non-profit organization boasts a 65 percent success rate, considered extremely high for a drug rehabilitation program.

President George Bush called Straight "inspiring" when he visited the Pinellas Park facility at 3001 Gandy Blvd. in March 1987 and former First Lady Nancy Reagan offered similar praise when she visited in 1982.

But critics accuse Straight of brainwashing and physically abusing patients, charges that have sparked at least five lawsuits against the organization. At least two have been settled. Straight officials denied those allegations, and HRS has no confirmed reports of abuse at the facility.

Drug program attacked in HRS report

By PHIL WILLON
Tribune Staff Writer

PINELLAS PARK — The license of a controversial alcohol and drug treatment facility has been renewed for only three months following a state report criticizing the use of patients to overpower and restrain other patients and their limited access to an abuse hot line.

Straight Inc. of Pinellas Park also restricted bathroom privileges for some patients and kept sloppy and incomplete treatment records, according to an inspection report released this week by the state Department of Health and Rehabilitative Services. Similar items were cited after an HRS inspection a year ago, records show.

The problems were considered so extensive that HRS officials have renewed Straight's license for only three months, not the standard year granted to the county's 26 other treatment facilities, said Bob Holm of the HRS Alcohol, Drug Abuse and Mental Health Program Office in St. Petersburg.

Melvin F. Sembler, Straight's executive director, discounted the report as another unfounded attack on what he said is the nation's most successful alcohol and drug abuse rehabilitation program.

"I don't view it as a problem," Sembler said. "We've been going through this sort of thing for 15 years. I don't worry too much about it. It's the best program in the United States."

The report stems from a May 23 HRS site review which included interviews with patients and staff and a study of the patients' clinical records and Straight's policies and procedures.

Records of nine patients that were reviewed were found to be incomplete or out of compliance. Some lacked proper dates or signa-

“We've been going through this sort of thing for 15 years. I don't worry too much about it. It's the best program in the United States.”

— Melvin F. Sembler,
Straight's executive director

tures. In other cases, patients with serious problems — including one rape victim — were not receiving the special counseling they required, the report stated.

Some patients had to get permission from staff before they could use a telephone to call the HRS abuse hot line, according to the report. Others were prevented from using the hot line until they explained the reason for the call during a group counseling session.

Both violate HRS statutes, which mandate that patients at a treatment facility must have free access to the hot line, Holm said.

Many of Straight's staff members weren't aware there were any restrictions, he said.

Straight's license will be reviewed again in August to see if corrections have been made, Holm said. Straight officials also have 30 days to respond to the allegations and suggested corrections included in the report.

"Before we're going to grant them a regular license, they're going to have to do some work," Holm said.

The report stated that in one instance a Straight patient with a black belt in karate routinely helped staff members restrain prob-

See HRS, Page 8B

Straight from 1B

sound business practice. If successful, Straight stands to collect hundreds of thousands of dollars in overdue payments.

"We have a lot of people we have carried for a long time, and they owe us an awful lot of money," said Straight spokeswoman Joy Margolis.

But in interviews and court documents, many of those families are firing back, accusing Straight of deceptive, high-pressure sales tactics and abusive treatment.

Patricia Neumann of Lake Alfred in Polk County said in court documents that Straight officials "committed fraud" by coercing her to sign a blank contract committing her son to treatment. The coercion, she alleged, included "several hours of mental intimidation" and being told that her son "would die without treatment."

Robert and Veronica McCallion of St. Petersburg said in court papers that Straight officials were "unprincipled" and "had no intention of living up to their promise of treatment and rehabilitation" for their daughter.

Darlene Licate of Spring Hill in Hernando County said her daughter was strip-searched and verbally abused by Straight officials.

"I don't pay for verbal abuse," Mrs. Licate said. "I don't pay for any kind of abuse."

Straight spokeswoman Margolis said the criticism is unfounded. "Sounds to me like they didn't pay their bills and are looking for excuses," she said.

"Dysfunctional people look for other places to put the blame," she added. "We don't stand on the

street corners with guns forcing people to go in."

Florida regulators of drug treatment programs give Straight high marks. Straight also has drawn praise from Nancy Reagan and President Bush.

But in several other states, Straight programs recently have come under severe criticism. Straight pulled out of Virginia this week after state officials refused to renew its license, citing a long history of violations. Straight closed its California branch last year when regulators there refused it a license because of concerns about abusive treatment methods.

Similar concerns prompted Massachusetts last month to pull Straight's foster care license.

Straight lawyers have fared better in Pinellas civil court, getting settlements and judgments against dozens of families.

In November, for example, the Ferrises settled with Straight, "just to get rid of them," Mrs. Ferris said.

"The organization is like a bad penny: You think you're done with them, but they keep popping up," she said.

Dysfunctional people who has host homes!

What about the allegations!

check this out!

b7D

wine as he d.

ster Baynard pointed out

Manason to enjoy the suspension
"has already suffered penalties from
duct and is "without wheels anymore."

Straight tells staff not to talk

"I do feel like it (warning) is to quiet us up and frighten the parents on the program," says Carolyn Henson, former Straight volunteer.

By WILLIAM NOTTINGHAM
St. Petersburg Times Staff Writer

Straight Inc. has sent letters to its current and former employees warning them not to reveal information about the drug treatment program because doing so could violate state confidentiality laws.

The letter also went to parents who have children enrolled in the program.

Some recipients say they believe the letter is meant to intimidate them from speaking out about Straight, which is under investigation by state health officials.

"IT HAS RECENTLY come to our attention that some of our past employees and-or directors have been releasing information about the treatment and identity of some of the persons treated at our Center," wrote James E. Hartz, Straight's executive director.

Should program officials learn of potential violations, Hartz wrote, "Straight Inc. shall do what it deems necessary to protect its best interests."

"I think they (Straight officials) are just trying to keep people quiet, because they don't want it to come out, what's going on over there," said one parent who asked not to be identified.

The letter is dated Feb. 10 — two days after Hartz was interviewed by *The St. Petersburg Times* concerning allegedly coercive and possibly illegal tactics used on Straight's juvenile clients.

The interview was reported in a copyrighted article that appeared last Sunday in *The Times* and quoted several sources, including unnamed former program counselors.

Hartz was unavailable for comment on the letter.

Based in a warehouse just north of St. Petersburg, Straight uses peer pressure and behavioral modification techniques on juveniles from 12 to 18.

Last December state officials who oversee the program's operating license began to investigate complaints that some Straight clients had been mistreated.

THE INVESTIGATORS ultimately said they could not prove any mistreatment charges. But they scolded Straight for apparently holding some clients against their will in violation of another state law.

In the letter, Hartz quoted portions of the confidentiality statute, which prohibits drug program employees or volunteers from revealing a client's name "except in a proceeding involving the question of licensure."

"I do feel like it (the letter) is to quiet us up and frighten the parents on the program," said Carolyn Henson, a former Straight volunteer.

"I think it's to keep them (parents or employees) from bringing their complaints to HRS or the newspaper or anyone else," she said.

b6
b7c

Health officials give Straight conditional approval, say runaway girl wants to stay

By WILLIAM NOTTINGHAM
St. Petersburg Times Staff Writer

State health officials cannot prove charges that an 18-year-old girl was held illegally at the Straight Inc. drug treatment program, a spokesman for the State Department of Health and Rehabilitative Services (HRS) said Wednesday.

The girl has told investigators that she wants to remain at Straight, even though she twice tried to run away.

Three weeks ago a group of Largo residents said they saw the girl run from a Straight foster home at about 7:30 one morning, wearing only a robe, slippers and blue jeans. She was captured by Straight counselors minutes later after telephoning her sister from a neighboring house.

THE GIRL THEN was returned to Straight's Park Street headquarters, just north of St. Petersburg. Her parents were called and they convinced her to remain, Straight officials have said.

State law prohibits drug treatment programs from holding juveniles against their will.

Officials declined to identify the girl by name. But at a parents' meeting a few days after the incident, a slight, blond girl who identified herself as Gail Stevenson said she had tried to run away, but now wanted to remain at Straight.

Brenda Stevenson — who identified herself as the girl's sister and said she lives away from her parents — reacted skeptically to the investigation results.

"They (Straight) won't let me see her," said Miss Stevenson. "I'm gonna try somehow to see her and let her tell me to my face that she wants to stay there. They (Gail's parents) told her once that if she left they'd get a court order to put her back in the program."

Last December, HRS began investigating other charges against the nonprofit program, which uses peer-pressure, behavior-modification treatments on juveniles from 12 to 18.

INVESTIGATORS FOUND that Straight may have illegally held some clients against their will. They also gave the program a 90-day conditional license, rather than a normal one-year license. Officials with HRS, however, declined to release their full investigative report.

The parents of many Straight clients praise the program and say it has cured their children of drug abuse. The program also has won the backing of many law enforcement and juvenile court officials, including Circuit Judge Jack Dadswell, who has ordered many youths into Straight as an alternative to jail.

In a copyrighted article earlier this month, *The St. Petersburg Times* quoted several former Straight counselors who charged that the program used a variety of coercive tactics to control clients.

The runaway girl's statement to HRS closes that portion of its Straight investigation, the spokesman said. However, officials will continue to monitor the program through April, when they must decide whether to renew or revoke Straight's license.

Please
save

Drug program allegedly used coercive tactics to control clients

By WILLIAM NOTTINGHAM
St. Petersburg Times Staff Writer
© 1978, The St. Petersburg Times

Coercive tactics, including threatening a youth with a cocked handgun, have been used to control juvenile clients enrolled in the Straight Inc. drug treatment program, former counselors say.

Some of the tactics may have been illegal. Behind-the-scenes accounts given by former counselors portray Straight as being sharply different from the passive and loving treatment program its leaders contend it is.

TWO FORMER counselors — in sworn statements — say they once stood by as Helen R. Petermann, Straight's program director, repeatedly slapped a small youth and yanked him by the hair in an apparent outburst of temper.

"I saw maybe five good smacks," one ex-counselor says.

On at least two occasions, they say, pro-

gram officials prepared questionable documents to intimidate clients into staying at Straight even though the youths may have had a legal right to leave.

A uniformed St. Petersburg police officer was once enlisted to threaten a juvenile with arrest to scare him into staying at Straight against his will, a former counselor says.

Dozens of client treatment reports were deliberately falsified by the counselors. And they say James E. Hartz, Straight's executive director, condoned it.

Another ex-counselor says Hartz — "kind of like, off the record" — encouraged counselors to physically detain clients who tried to run away. The counselors say Hartz never told them that state law forbids holding some juveniles against their will.

"**THERE WERE LOADS** of times when I had to tackle somebody," a former counselor says.

Straight officials generally deny the allegations.

"I don't feel I have to defend it (the program) because I know what we're doing is good, it's just and I know that we're not out to hurt anyone," Hartz says.

He acknowledges that the program operated for more than a year before he informed counselors that they could not legally detain some clients against their will.

Until state health officials told him of the law last December, he says, "I never heard of it." The law has been in effect since 1972.

Based in a Park Street warehouse just north of St. Petersburg, Straight is a private, non-profit program using peer-pressure behavioral modification techniques on juveniles from 12 to 18.

TWO FORMER Straight staffers recall a peculiar treatment session that they believe had little to do with saving juveniles from the evils of drug abuse.

They say Mrs. Petermann, 56, allegedly demonstrated different positions of sexual intercourse to a group of female clients, some

in their early teens.

Mrs. Petermann was unavailable for comment on any of the allegations. She declined to return several telephone calls from *The St. Petersburg Times*.

Hartz asked that all questions involving Straight be directed to him and said he knows of no such sex discussion.

But the subject of sex occasionally comes up during program treatments, he says, and it is "normal" that juveniles have questions.

"Helen's a very uninhibited person," Hartz said. If the session occurred, he said, "it might have been done better in private."

PERHAPS THE MOST serious allegation related by several sources dates back to February 1977, when a member of Straight's governing board — Richard G. Batchelor — led a band of juveniles in search of a runaway.

One member of the group carried a gun and — according to a witness' sworn statement — threatened to shoot a youth who was thought to have been aiding the runaway.

The band ultimately caught the runaway and wrestled him to the ground. When police arrived to break up the disturbance, no gun was found.

After two telephone conversations last week, Batchelor denied that a gun was used. During the first conversation he said "I will neither confirm that nor deny it."

Minutes later, after he said he had spoken to Straight director Hartz, Batchelor called back to say "I deny it."

"I did see a piece of pipe and that's what the police were told," he said. Then he said, "No, I'm not sure it was a piece of pipe... the police were told what they (others present) thought was a gun was a piece of pipe."

"I don't believe in guns or violence," he said. "You're finding out things I don't want you to know about people."

See STRAIGHT, 14-B

2nd drug rehab center under fire

By ANNE BARTLETT
Tribune Staff Writer

ORLANDO — The state has given a second Straight Inc. drug rehabilitation center a license for only three months rather than a year because of its methods of restraining patients and other concerns.

The criticism of the Orlando center is similar to that by the state Department of Health and Rehabilitative Services' of the organization's Pinellas Park facility, which last week received a three-month license renewal.

HRS issued a report on both centers, following routine inspections. HRS typically renews the licenses of drug and alcohol re-

habilitation programs for one year.

The Orlando report also praises the dedication of the staff and adult volunteers. Employees "appear to be committed to helping clients succeed and gain the maximum benefit from the program," it states. Straight has 30 days to respond.

Linda Hedden, Straight's vice president for resource development, declined comment on the Orlando report Thursday because program officials have not read it.

However, Straight officials have said the HRS report on the Pinellas Park center is a naive swipe at a program that the state doesn't really understand.

Straight is a 13-year-old drug and alcohol rehabilitation program for young people

ages 13 to 21. It uses intense peer pressure and counseling methods similar to Alcoholics Anonymous.

The controversial program has about 1,000 clients in centers in nine cities.

President Bush called the program "inspiring" when he visited Pinellas Park in March 1987 and former first lady Nancy Reagan praised it as well.

Critics contend the program brainwashes and physically abuses patients. At least five lawsuits have been filed against the organization. At least two have been settled.

It was founded by Mel Sembler, a Treasure Island developer who has been nominated U.S. ambassador to Australia by President Bush. The Senate Foreign Rela-

tions Committee this week delayed action on Sembler's nomination after Sen. Paul Sarbanes, D-Md., questioned the qualifications of Sembler and three other nominees.

Sembler said last week that he didn't view the Pinellas Park report as a problem. "I don't worry too much about it," he said. "It's the best program in the United States."

The HRS report on the Orlando center, based on an inspection from May 31 to June 2, criticizes Straight's methods of restraining and monitoring patients and what it calls inconsistent record keeping.

See HRS, Page 6B

As Newton puts it, "The 'do drugs' message is so strong that you just can't isolate the kid (from it)."

At Straight, the approach is to do just that.

Getting 'straight'

Teen-agers enter Straight cut off from their friends and families. They have no rights. Boys are held by their belts; girls are escorted around the premises during their activities. Clients are closely controlled. Clients are taken away and go to the bathroom only twice a day, shower at specified times and for specified periods, brush their teeth and comb their hair for only a certain number of strokes and talk only when called upon.

Rights to talk to parents, read books and watch television are taken away, then "earned" back as teen-agers pass through five progressive phases of treatment.

The first phase involves developing "self," says Newton. It means being "honest" about one's part as a "druggie." While teen-agers are in this phase of the program, they live with other clients' families until they have earned the right to "come home."

IN THE SECOND phase, the teen-agers can live at home and commute daily. In the third phase, they can attend school by day and Straight at night and on weekends. The fourth phase stresses developing friendships and the fifth phase — the "abiding stage" — is when the client may become a peer counselor and, ultimately, leave the program.

Clients who are almost "straight" assist about a dozen young junior and senior paid staff members — all of them former clients — who make up the bulk of Straight's staff. There are five full-time professionals on the staff and one clinical psychologist who shares his time between the St. Petersburg and the Sarasota branches.

"If you look at the whole process, what we do here is sort of force a regression," says Dr. William Giesz, the clinical psychologist. "That is, we go back to about the toddler age and teach toilet training in a somewhat esoteric way. The belt loop phenomenon is much like what a parent would do with a toddler. The relationship is obvious."

The day begins with the Straight sing-along and perhaps a recitation of self-improvement pledges known as "The Seven Steps." Then the teen-agers begin the first of three daily group therapy sessions called "raps." In a large, but auditorium, seated in hard plastic chairs, boys and girls ages 12 to 18 face two staff members and embark on discussions that begin with broad themes, then narrow down to personal observations.

"ONE OF THE most delightful group sessions I attended was on the theme bulls—, different kinds of bulls—," Giesz says. "And the kids got into different kinds of bulls— associated with drug use and then the kinds of things they see around them that are bulls— and things that are going on in the group that are bulls—."

There's a tendency in the group through any given session to relate to the past, then relate to where they are now, and what they're going to do about it," he says.

Motivation and honesty are encouraged. Suspected dishonesty and unwillingness to participate are attacked. Two former clients interviewed by *The St. Petersburg Times* said the rap sessions for most clients amounted to little more than phony confessions where teen-agers "confessed" things they never did because such "honest" self-examination is seen as the only ticket out of the program.

"To please a counselor or to shut someone up from putting you down, you always had to tell a big, dramatic story," says former client Jeanine Wright, 18, who ran away from the program last spring after five months there. "Some of the things they talked about applied to me, but a lot of it didn't. Every time I tried to tell them about my past, they would sit me down and tell me I was being dishonest."

"PEOPLE WOULD lie through their ears to get 'better,'" recalls former client Michael Calabrese, 18, who ran away from the program last October after three months. "If you said things that were unpopular, it was disregarded, like that not very many of your friends were druggies or that you had a good job and were doing well. You were supposed to confess all kinds of bad stuff, and if you didn't, they figured you were lying."

But other former clients say the rap sessions cut close to the bone, forced them to examine themselves and, in the long run, developed their self-confidence to the point where they could refuse drugs.

Nancy Minton, 21, who left the program after a year and one month, says she is sure that "there were some younger kids in the program who did that (lied to get ahead)," but says that it was due to the drug environment they had just been yanked from. "Outside, you get just as much pressure from peers to do things wrong. I don't see what's wrong with using peer pressure to encourage someone to do something right."

Those who want to advance through the program must stand before the group at specially scheduled rap sessions a week and announce that they feel ready to progress.



Staff writer Milo Geyelin spent several weeks interviewing former Straight clients, parents, staff members and numerous authorities in law enforcement, psychiatry and drug abuse to compile this report. Recently, he also spent a day at Straight observing the treatment program. Geyelin, 26, has been on the staff of *The St. Petersburg Times* since October 1979. He was born in Washington, D.C. and attended the University of Wisconsin in Madison, where he majored in history and political science and graduated with distinction in December 1978. Since joining *The Times*, Geyelin has worked as a general assignment reporter and covered city government and police.

The request is discussed by the group, which then votes on it. A decision is made later the same day by the senior and staff, which rarely goes against the group vote. The decision is announced before the evening's "open meeting."

A family affair

At the open meetings, which parents are required to attend on a regular basis, teen-agers new to the program stand up before the packed audience and confess their drug use and what it did to them: the stealing, the sex, the hostility toward their parents and society. They talk about their feelings — mostly guilt — and how they will better themselves at Straight.

Family contact is limited to the tightly controlled open meetings until the teen-ager reaches the second phase and is allowed to return home. The teen-agers, boys separate from girls, sit on one side of the auditorium. Before the parents are led in, staff members tell them to sit up straight, tuck in their shirts, look neat and smile. As the parents are being led through the back of the auditorium, the children are singing another Straight sing-along:

*I am straight, I can do anything... anything.
I am strong, I am invincible... invincible.
I am straight, I can do anything...*

The parents applaud when the song ends. Between them and their children 20 feet away, two teen-age staff members sit on stools. The seating is planned so no parent can look directly across at his child. Eye contact between family members is forbidden.

After the teen-agers' confessions, a collection is taken from the parents.

THEN THE PARENTS speak to their children by microphone. Many simply say, "I love you... Talk to you later." Others admonish their children to work harder at getting "straight." Some talk about the pain and resentment they feel because of the way they were deceived and others say flatly that their children are unwelcome at home until they are "straight."

All through the open meeting, the names of those teen-agers who have reached "second phase" and can go home for the duration of Straight's program are announced. Each time, the named youth jumps up, scrambles across his or her peers, runs to the other side of the auditorium and leaps open-armed into a tearful embrace. The family hugs to thunderous applause — an emotional display made all the more powerful by the chilling confessions which began the meeting.

At the meeting's close, parents, clients and staff members join hands and sing a prayer. Then parents turn to those seated next to them and embrace.

The message is carefully orchestrated and powerful: Straight brings families — all families — together again. The parents seem relieved and grateful.

STRAIGHT DEMANDS an exhausting commitment from parents. All must attend a mandatory number of open meetings, even if it means commuting from out of state. After the open meetings, the parents must attend their own rap sessions where they learn about their child's involvement in the program, the ways of the "drug culture" and what to expect at home. The meetings last past midnight.

The entire program takes at least six months to complete, Newton says. The average stay is 10 to 11 months, though some clients have stayed in the program as long as two years. The cost, Straight says, ranges from \$750 to \$1,700 for the whole program, depending upon a family's ability to pay, plus \$35 per month for food.

The fees make up 70 percent of Straight's \$449,000 annual budget. The rest comes from donations (such as those made at the open meetings), says Straight Executive Director James Hartz. Straight will not turn away clients in need of help, no matter what their financial status, Hartz says.

But no one goes to Straight for free. "I really don't know (how many poor clients there are at Straight)," Hartz says. "My philosophy is very simple: If you don't pay for something, that's about how much you value it."

Almost all the clients at Straight are white.

Who gets straight?

Since September 1976, when Straight opened, about 1,800 teen-agers have been enrolled. Roughly 600 have completed the program and only 300 of those — less than a fifth — have stayed completely away from drugs, Newton says.

Most of the teen-agers in the program are referred there by parents who already have children in the program or know others who do, says Newton. Some have been referred there by school officials, police and, in the past, the Juvenile Court.

But during the past two years, the Pinellas-Pasco Juvenile Court has virtually stopped referring youthful drug offenders to the Straight program. And judges say they never send them there merely at the request of parents.

"ALMOST NEVER do we court-order them into the program," says Judge Jack Page. Page says he hasn't ordered a juvenile into Straight since reports surfaced about three years ago that Straight was keeping clients against their will. Though Page thinks the program has been very successful with some clients, he chooses Oper-

ation PAR (Parental Awareness and Responsibility) because that program does not take children away from their families.

"It (the PAR program) is a... program and a little more normal," Page says. At Straight can involve more than a jail sentence for the original drug-related offense that brings the teen-ager into court, he says. "The PAR program is more in keeping with the length of time and degree of involvement you'll find for community control," Page says.

"Straight is highly intensive, and involves the entire family, more time and more money (than PAR)... The kids go under a lot of pressure, and I'm not the one to put them under that pressure."

There was a time when Judge Robert Michael ordered teen-agers into Straight as a matter of normal disposition, he says. But now he is reluctant to order juveniles into the program, even for drug offenses.

"I'M SURE THAT when parents get desperate, they welcome any program that will help their kids. But for those who don't need it (the kind of intense program Straight offers), I don't think you should be putting them there just to put them in the program," he said.

Judge Michael also sends most of his juvenile drug offenders to PAR. He has not ordered a child into Straight in almost a year.

Controversy remains

Troubles at Straight first surfaced in December 1977, after six directors resigned to protest management and treatment techniques at the program. One director accused the nonprofit corporation of "misfeasance, malfeasance and nonfeasance." The complaints, which centered around handling of money and mistreatment of clients, were similar to those lodged against Straight's predecessor, The Seed.

The Seed was disbanded in October 1975 amid reports that its peer-pressure tactics subjected teen-agers to intense mental and physical abuse. In 1974, a federal report had likened treatment methods used by The Seed "to highly refined brainwashing techniques employed by the North Koreans during the 1960s."

Most of Straight's creators, its board of directors and staff members came directly from The Seed. But Straight, its supporters said at the time, was going to be different. The emphasis at Straight's rap sessions would be on creating a positive environment of "trust, care, honesty and sincerity."

But in February 1978, reports arose alleging coercive tactics at the program. Former counselors alleged that a youth was threatened with a cocked handgun and others were forcibly detained or threatened with fake documents "signed by the police department." Treatment plans were allegedly falsified and, in one instance, former counselors claimed a youth was slapped repeatedly by an executive staff member.

A THREE-MONTH criminal investigation conducted by the Pinellas-Pasco State Attorney's office concluded that some of the allegations were true but there was insufficient evidence to bring criminal charges.

Now, three years later, Straight's troubles are still not over. In its inspection of the program in March, the Florida Department of Health and Rehabilitative Services (HRS) found that Straight was not following state rules on client treatment and record-keeping.

The HRS report indicated that several clients picked at random for interviews said high-level staff members threatened them with court orders which, they were told, would either force them into the Straight program or a mental institution if they did not sign themselves in voluntarily. HRS also said no clients interviewed knew of any process through which they could leave the program.

Clients told HRS officials that doors and windows at the homes where they live during the initial phase were locked from the outside so they could not leave. Personal files such as medical histories, treatment plans and psycho-social evaluations were found to be incomplete or inadequately maintained, and Straight was unable to document a training program for its staff.

CONTACTED AFTER the HRS report was released, Straight Executive Director Hartz said he felt "there are some inaccuracies" in the report but declined to discuss any specifics. "We fully wish to comply with state regulations and that is our intent," he said. (A more recent HRS inspection of Straight was conducted in June and Straight's license was renewed for one year. But HRS officials declined to discuss the specific evaluations until a written report is completed.)

Despite its difficulties, Straight has attracted powerful national and local support. Robert DuPont, the founding director of the National Institute for Drug Abuse, last December addressed a banquet of Straight supporters in Tampa and called Straight one of the best drug-abuse treatment centers in the country — a model for others.

The program enjoys strong local support from such powerful names as shopping center developer Sam Sembler, former radio and television station owner Sam G. Raball and longtime Pinellas developer Joseph Zappala. All three sit on the program's board of directors.

Nonetheless, former clients continue to complain bitterly about the way Straight inducted them into its program. And Straight's definition of drug abuse appears to be highly subjective, yet more dogmatic, than that used by others in the field.

When is drug use drug abuse?

At Straight, any use of drugs is considered to be a problem. "If you talked to us about not taking kids who use recreational drugs because it's not dangerous, I would probably go through the roof as an individual and a professional because I would not want that attributed to me or the program," says Newton.

"I can only give you my opinion," says Hartz. "The program doesn't have a written policy on who is a drug abuser. To me, it's like pregnancy: Either you 'ta or you 'tant."

"... A 14-year-old who did alcohol and pot and never got arrested, never skipped school — that person in our opinion needs to work through his or her relationship to that drug just as much as the person who is 16 and who was out B and King (breaking and entering), ripping off and so on and so forth."

TRYING TO DEFINE drug abuse, says Hartz, who has a bachelor's degree and master's degree in psychology, is "like trying to define schizophrenia. You can't say it's the difference between two and three. It's a subjective type of judgment based upon the chemical dependency model we use here... You learn to identify the problem, but... it's not like going out and reading a thermometer... the answer is a combination of experience, your knowledge base and the fact that we have accumulated literature to review on. And our opinions."

The "chemical dependency model" used at Straight has been adapted by Straight's administrative director Newton, from a study on adult alcoholism. It lumps all drug use and its effects into one category — a progressive and ultimately fatal "disease of the feelings."

Before joining Straight, Newton, an ordained minister who graduated from Princeton University, was clerk of the Circuit Court in Pasco County, an unsuccessful 1971 candidate for the U.S. House of Representatives and former director of the Florida Alcohol Coalition.

"OUR POSITION is this," says Newton. "Whether we take a kid into the program or not is determined in our judgment by whether the child and the family can handle stopping the (drug) use themselves or whether they need the help of an intensive, therapeutic program to isolate the kid from the peer influence — the availability of drugs..."

That determination is made on the basis of report from parents, school officials, police records, the reputation a teen-ager may have with friends and relative already in the program and the results of a thorough interview known as "intake," to which teen-agers are usually taken by their parents.

It is this intake procedure that some former client criticize most severely. They say that for hours, they were grilled, told they were deviant, worthless human beings and threatened with court orders that would put them in the program and keep them there.

Eventually, they said, they believed it. So they signed themselves in.

NEWTON DENIES any threats of court orders and scoffs at the possibility that some of Straight's clients may have been bullied into the program. "Nobody who has good self-esteem will let it plummet because some body talks to you about your behavior for four, six, 10, 3 hours... We've dealt with 1,800 kids here now, so we've put together a very coherent pattern that is fail-safe."

Other mental health professionals and experts involved in treating drug abusers agree that deciding to send a child to a program like Straight depends on who you consider a drug problem to be. Most distinguish between casual, weekend or "recreational" use of drugs and drug dependency.

David Milchan, a 21-year-veteran of the St. Petersburg Police Department who as head of the Youth Services Division frequently referred families to Straight distinguishes between heavy use of drugs like marijuana and beer and recreational use.

A heavy marijuana user would be "a child using marijuana on a regular basis, a child who says, 'I have to go high in order to function at school or with (my) family,' says Milchan. He sat on Straight's advisory board until February 1980, when he resigned from the St. Petersburg Police Department to go to work as a juvenile specialist at HRS. He is now police chief of St. Petersburg Beach.

OPERATION PAR also makes a distinction between casual use of drugs like beer and marijuana and abuse of those drugs, says Associate Executive Director Arnold Andrews. For a teen-ager to be admitted to PAR problems with police, one's family or school must be directly related to drug use, Andrews says.

At PAR, which operates as an outpatient counseling clinic where clients and families come for scheduled appointments and leave, treatment is handled by staff members who have at least two years of college training in counseling.

"They (Straight) deal with white middle- and upper-middle-class kids," says Andrews. "PAR kids are mostly lower-class, indigent kids."

"People start taking drugs for all different sorts of reasons," says Dr. Anthony Reading, chairman of the Department of Psychiatry at the University of South Florida. "There is some correlation to underlying, preexisting emotional problems."

Growing up and being a teen-ager involves all sorts of complex issues — stress, tensions, anxieties, says Dr. Reading. "It's a reasonable assumption that people in general don't get involved or overinvolved with drugs unless they have some kind of emotional problem."

"PROGRAMS LIKE Straight appeal to parents because they don't want to accept responsibility for the children's (drug) problem. Parents can get over-attached to the program because of the fear a parent has of someone saying, 'You've been a bad parent.'"

In other words, Straight seems to appeal because it philosophy says that family problems stem from the drug use — not the other way around.

"You need to understand that drug use is a disease initiated by personal choice in response to peer pressure," says Newton in an unpublished treatise on drug abuse. "They (the parents) did not cause their child to use drugs."

The truth is, Dr. Reading adds, "that in dealing with teen-agers, other teen-agers can be very effective in changing their behavior... Peer pressure can be very supportive in getting them into and changing them."

Parents whose children have had successful experiences at Straight agree.

"STRAIGHT IS the only drug program providing the services it does for the price," says Charlie Pittman whose son Winston went into the program when he was 15 and is now training to become a staff member. "The price is cheap. You don't get that kind of cooperation unless you get people who really want to help themselves and their kids... Straight isn't for everybody. Straight on works if the family wants it to work."

Says another parent, "It's not a perfect program, but it's the best game in town. You can say what you want about it, but it does work."

Next: Straight's critics and supporters recall the experiences with the program.

Drug center holds onto client-restraint policy

By NORMA WAGNER
Times Staff Writer

PINELLAS PARK — Straight Inc. administrators will continue allowing patients to restrain each other despite warnings from state officials that the practice may be dangerous.

Though a revision of the center's policy says only adult staff members will restrain uncontrollable clients in the future, Straight's vice president of operations said Tuesday that clients will continue to restrain clients in instances of self-defense.

The proposed revisions are in response to a Health and Rehabilitative Services (HRS) letter mailed Aug. 25 ordering Straight officials to revise their restraint policy before the center's operating license expires Sept. 6. Straight officials mailed the proposed revisions Tuesday.

If the revision is not acceptable, it is possible

HRS will revoke the drug and alcohol treatment center's license, said HRS spokeswoman Elaine Fulton-Jones. "But Straight officials have been negotiating and cooperating with us, so we really don't expect that to be the case," she said.

Clients will continue to restrain clients in instances of self-defense.

The order, written by HRS program supervisor Martha Lenderman, said, "The (revised) policy must specifically prohibit any physical restriction of movement of clients by other clients. It is the responsibility of staff, not clients, to protect clients from harm by other clients."

Straight's vice president Page Peary said

HRS officials have agreed that in instances of self-defense, clients will be allowed to restrain clients until an adult staff member can take over. He said this always has been Straight's practice and that the HRS order is more in response to change in Florida law.

While Ms. Fulton-Jones acknowledged that the law now requires specific language in such policies, she also said Peary may be misinterpreting the order.

Children restraining children "is our concern and has been our concern and continues to be our concern," she said.

"We've never prescribed (client-to-client) restraint," Perry said. "It has never been part of the treatment of Straight. However, if a young person slugs another young person, we have to stop that. But that's not restraint, that's self-defense."

August 30, 1989 St. Pete Times Page 3b

Growing Straight Inc. remains controversial

The teen-age drug-abuse therapy program, say some parents and former clients, is something close to divine salvation; others say it borders on brainwashing

■ Straight Inc., a controversial drug-abuse treatment program for teen-agers, is approaching its fifth anniversary of operation in Pinellas County. This story, the first of two parts, examines Straight's method of therapy. ■

By MILO GEYELIN
 St. Petersburg Times Staff Writer

Almost every weekday morning it's the same. As commuters on the way to work cruise by a squat, sand-colored concrete building at 3001 Gandy Blvd., a chorus of teen-age voices rises from somewhere inside. The voices all sing the same song — a song that, like it or not, will set the tone for the rest of the day:

X I'm here at Straight, feeling great;
 From nine to nine, I'm feeling fine.

Nobody inside will be going anywhere for a while. Straight Inc., a drug rehabilitation center for teen-agers, will soon be in its sixth year of operation in Pinellas County. With a new branch successfully opened in Sarasota last fall, another expected to open in Atlanta this summer and still more being considered in Cincinnati and Washington, D.C., the program is attracting a national following.

But its philosophy — that if peer pressure can get kids

into trouble with drugs, peer pressure can get them "straight" — remains controversial.

STRAIGHT CALLS its therapy "re-acclimation" — the process of "relearning the values, rules and behavior of the main culture."

In the opinion of some parents and former clients, the therapy program is something close to divine salvation. Other parents and former clients say it borders on brainwashing.

Straight's therapy is based on the theory that teen-agers who use drugs — most commonly marijuana and alcohol — can't be helped unless they are totally removed from the influences that encourage them to use drugs, says Straight Administrative Director Miller Newton.

Conventional counseling by psychologists or psychiatrists doesn't work with kids on drugs, Newton says, because "you cannot isolate the kid from the peer pressure that has (use of drugs) implicit in it." The way teen-age drug users dress, the way they talk, the music they like, their values — all these carry a message that Straight contends is unconventional, powerful and destructive.

See STRAIGHT, 6-B

During their first weeks at Straight, boys are held by their left loops as they are escorted around the premises. Girls are taken by their hands.



Photo by JOE TORRELLI

Police probe clears officer in allegation about drug program

An internal St. Petersburg Police investigation has cleared Officer Ronald K. Hartz of any wrongdoing in connection with an incident at the Straight Inc. juvenile drug treatment program last year.

Hartz did not exceed his authority when he told a Straight client about what could happen if the youth continued to resist program officials, said Police Chief Mack M. Vines.

In a copyrighted article last February, *The St. Petersburg Times* quoted several former Straight counselors who said the drug program used a variety of coercive — perhaps illegal — tactics to control clients.

One counselor said he saw Hartz threaten to arrest a youth who wanted to leave the program, as was the youth's legal right. In the article, Officer Hartz denied the counselor's charge.

Police investigators questioned the youth allegedly involved, and the youth denied being threatened by the officer.

Straight's executive director is James E. Hartz — the uncle of Officer Hartz. In recent months, the drug program has been under investigation by several state agencies and Pinellas-Pasco State Atty. James T. Russell.



Complaints against youth drug program being investigated

JAMES E. HARTZ
... heads Straight Inc.

By **WILLIAM NOTTINGHAM**
St. Petersburg Times Staff Writer

State health officials are investigating charges that several juveniles have been "beaten" and "slapped ... around" while enrolled in Pinellas County's newest drug-treatment program.

The examination of Straight Inc., a non-profit organization partly supported by federal funds, stems mainly from articles earlier this month in *The St. Petersburg Times*, officials said last week.

ANOTHER complaint was lodged by Pinellas school officials, who claimed that one of their students had been mistreated while at Straight, officials said.

If the charges are confirmed, Straight could lose its operating license, according to Bob Marshall, district director of the Department of Health and Rehabilitative Services (HRS).

"I think there's some doubt among some people (about Straight) because of the news articles, and we're obligated to clear the air one way or another," he said.

But after several days of investigation, Marshall said that so far "those allegations (of mistreatment) have not been substantiated at all.

"If my son needed to go into the Straight program I'd put him there right now," he said.

BASED IN A northwest St. Petersburg warehouse, Straight uses peer-pressure behavioral modification methods on juveniles from 12 to 18. Only those with admitted or suspected drug problems can enroll.

On several occasions, Pinellas County judges have ordered juveniles into Straight, rather than to jail.

Thus far, nearly 50 program clients have been questioned by state investigators, Marshall said.

But the officials have not finished interviewing six former corporate directors who resigned several months ago to protest Straight's treatment and management techniques.

Some of the directors have accused the program of violating state law. A former adult program volunteer also told *The Times* that she once witnessed Helen Peter-

mann, Straight's program director, kick a youth who was passively resisting counselors. Straight officials have denied the charges.

James E. Hartz, Straight's chief executive, declined to comment last week about the investigation.

"If there's one thing I've learned, it's that I'm not going to talk to a reporter over the telephone," he told *The Times*.

But Hartz also declined to meet personally with the reporter before this article was to be published.

ONE OF THE newspaper articles prompting the state's investigation quoted Jerry Wess Vancil, 17, of St. Petersburg. The youth claimed to have been "beaten and bruised" by six Straight counselors — all under 18 — during an intensive-treatment session unsupervised by any adult.

The youth also supplied *The Times* with a sworn statement outlining the incident and identifying the counselors involved.

Marshall said HRS officials may be unable to contact Vancil, who reportedly has left Florida, before the investigation ends later this week.

"That's the kind of kid we need to trail (locate)," Marshall said. "He may be right."

Social service programs frequently are accused of mistreating clients, Marshall said. "Sometimes it's true, sometimes it's false." But the Straight investigation has not revealed "any serious situations that have alarmed us," he said.

"I'M TALKING about serious problems (such as physical mistreatment) that would make it such that children should not be in the program," Marshall said.

If any mistreatment reports are verified, he said, they will be referred to Pinellas-Pasco State Atty. James T. Russell for possible criminal prosecution.

The five-member investigative committee is led by James Holly, the drug program licensing official who has been overseeing Straight since it opened in the fall of 1976. The group will start compiling its report Tuesday. Marshall and Hartz are scheduled to meet Friday and review the findings.

Drug program fears jury award will result in its financial ruin

By MIKE COPELAND
Tribune Staff Writer

ST. PETERSBURG — Straight Inc. will be financially "devastated" unless a \$721,000 judgment against the drug treatment program is overturned, a spokeswoman for the program has predicted.

Jurors awarded the money Thursday to Karen Norton, who sued over abuse she said she suffered during her 17-month stay in the controversial drug treatment program eight years ago. Norton, 25, said she was held against her will in the program in 1982 and 1983.

There is no way of telling how many former patients may eventually sue over treatment methods that spokeswoman Joy Margolis says Straight no longer uses.

If others sue and juries are inclined to make similarly huge awards, Margolis said, "no organization could continue to sustain it."

What's more, bad publicity causes patient admissions to slack off, she said. And the non-profit organization relies heavily on client fees to maintain its financial stability, Margolis said.

"If you draw it to its logical conclusion," she said, "a lot of kids won't receive treatment."

Straight will appeal the jury's award, Margolis said.

Of \$721,000 awarded, \$615,000 was earmarked by jurors specifically as punishment for "malice, moral turpitude, wantonness and recklessness."

Margolis said Straight's insurance company will not pay such damages. So the drug treatment program may be forced to scare up some fast cash.

Norton's lawyers estimate that Straight's assets — including real estate in Cincinnati, St. Petersburg, Orlando and Atlanta — total between \$2.1 and \$2.7 million.

But Straight doesn't own most of that property outright, and the buildings aren't even marketable since they were specially designed as drug treatment centers, William Rutger, Straight's lawyer, said last week.

Senior Judge Joseph P. McNulty, who presided over the two-week trial that concluded Thursday, is entitled to review the jury's award to decide if it should stand.

McNulty said he can reduce the award if he is convinced it is excessive. But Norton could opt for a new trial rather than accept any reduction, McNulty said.

Norton was once offered \$7,500 to settle the 5-year-old lawsuit — an offer she refused, according to Karen Barnett, one of Norton's lawyers.

Over the last decade, Straight has agreed to pay tens of thousands of dollars in settlements to former patients who complained of being held against their will. One former patient was awarded \$220,000 in 1983

in a federal lawsuit.

But this week's jury award is the largest in Straight's history. Jurors concluded the organization was liable for assault and battery, false imprisonment, negligence and intentional infliction of emotional distress in Norton's case.

"Not only are we paying for the sins of people in the past," Margolis said, "but it's even worse because they are not paying."

Norton complained in her lawsuit that she was thrown against a wall by Virgil Miller Newton, a minister who once ran Straight's St. Petersburg program.

Newton has since run controversial drug treatment programs in Texas and New Jersey. Those programs have gotten into trouble with local officials in both states because of allegations of abuse of patients.

Margolis said Straight's eight treatment programs — each of which serves about 100 clients — are no longer the places they once were.

The organization, headquartered in St. Petersburg, evolved in the early 1970s from another drug-treatment program called The Seed.

Over the years, Straight has gotten into hot water for using patients to restrain other patients and for holding patients in the program against their will.

The combination of emotional purging and rigid rules Straight uses has caused some critics to accuse the program of brainwashing.

The long-term program treats 12- to 21-year-olds by using intense peer pressure, rigid house rules and counseling methods similar to those used by Alcoholics Anonymous. Patients spend their days in large and small counseling groups, and their evenings in homes with other Straight patients.

Despite the criticism, Straight boasts a 65 percent success rate, considered extremely high for a drug rehabilitation program.

Straight's St. Petersburg program was accredited two years ago by the Joint Commission on Accreditation of Healthcare Organizations, a 39-year-old independent commission that scrutinizes hospitals and mental health treatment programs.

Margolis said each of Straight's programs is now accredited. Its board of directors includes the names of United States ambassadors and prominent local developers Melvin Sembler and Joseph Zappala.

Straight had a run-in last year with the state Department of Health and Rehabilitative Services (HRS) over a state report that said patients only had limited use of an abuse hot line, bathroom privileges were restricted, and some records were sloppy or incomplete.

But Straight's state license has since been renewed twice with no serious problems, according to HRS files.

Straight sues client families

■ The drug program wants unpaid fees; some families answer that they and their children were abused and they won't pay.

By DAVID BARSTOW
Times Staff Writer

In April 1987, Richard and Susan Ferris checked their 16-year-old son into Straight Inc. in St. Petersburg for drug treatment.

Months later Richard Ferris Jr. ran away from both the program and the "host family" where Straight clients live during the early phase of treatment.

He told his parents he left because he had been seduced by his host mother, Mrs. Ferris said in an interview.

"I hate that organization like you can't believe," she said.

Her anger only increased when Straight sued her and her husband in October 1990, claiming they still owed \$1,089 for their son's drug treatment.

"How can we pay you for services not rendered?" Mrs. Ferris says she told Straight officials. "Look how you've screwed up his mind."

The Ferrises are not alone in their legal problems with Straight. In the last 10 months, Straight has sued at least 80 families in Pinellas courts for failing to fully pay for their childrens' drug treatment, court records show.

Straight officials say the wave of suits are

Please see **STRAIGHT 7B**



Susan Ferris says her son said his "host mother" seduced him.



STEVE OTTO

Bottling cologne for politicians might raise stink

Eau de Guava? I don't think so. You do learn some things back here in BayLife that you wouldn't find just by reading the front section of the paper.

For one, you get a sense of style and what you have to wear if you are going to be part of the "now generation," as opposed to being a part of the "not-now generation," which I was before I got here.

For one thing, I learned in a story last week that apparently you are not a real celebrity unless you have your own personal scent. I don't mean you actually have to smell different, you just have to be able to market it.

Maybe you saw the story that listed some of the celebrities, along with their scents.

There was Mikhail Baryshnikov with one called "Misha."

Another biggie was Elizabeth Taylor's "Passion." "Be touched by the fragrance that touches the woman," the advertisement reads. I don't know if that means they put stuff all over Elizabeth Taylor before they sell it or what, but it must be expensive.

Some of them seemed to fit the celebrity. One titled "Cher Uninhibited" was labeled as being "Dramatically sensual... Like the woman herself. An enticement to take the risk."

I don't know what a quart of "Cher Uninhibited" costs, but I think we're on the cutting edge of something here.

Not that all Americans are risk-takers. But one thing we definitely are is label-happy. We wear jeans with someone else's name on them. In fact, it's better if someone else's name is on them.

Someone gave me a sweater that I figure costs about five times what that same sweater would cost if it didn't have someone's name stitched on the front, and it's not even my name.

We freely advertise soft drinks, events, rock bands and tourist traps on T-shirts. Bumper stickers tell you more than you want to know about the kinds of people who are out there driving on the same road as you are.

You are what you smell like

So what's wrong with giving off the scent of someone you want people to associate you with?

So far, they seem to have limited this scent idea to artsy sorts of stars, but this thing could catch fire.

Why not world leaders? What about a fragrance called "By George — the Cologne Thing for Non-Wimps." Or, if you can't afford the No. 1 brand, why not "Quayle Hunt — It looks good."

Those with a global view might want to impress their friends by wearing "Mikhail — a disarmingly heady mixture of borscht, glasnost and tanks."

For those who will not be in close company, there is always "Arafat — a different aroma of damp towels and desert dust." If stars would be a natural. Say you are off. Before heading out to the first tee, you might want to splash on some "Big Jack — a delightful mix of the locker room and a wet sand trap."

If football is your thing, why not a brand touting your favorite team. One cologne might be "Buc Orange — it smells, too."

There could be perfumes and colognes for everyone, to fit every occupation. If you run a restaurant, why not a perfume that smells like onions and garlic cooking.



Tribune photograph by TODD L. CHAPPEL

Skip Crowder, a recovering crack addict, was forced into treatment by his parents, Ronnie and Jimmie, background, who obtained a court order.

Tough love, hard decisions

Faced with drug addiction in family and friends, some people make a blunt declaration: Get treatment or go to jail.

By SUZIE SIEGEL
Tribune Staff Writer

TAMPA — One woman holds her head in her hands as if it might fall off. A father and son look everywhere except at each other. Another woman smiles warmly at her mother and grandmother, even though they have just accused her of being a prostitute and crack addict.

Chief Judge Dennis Alvarez sees every reaction on Wednesday mornings, when people troop into the Hillsborough County Courthouse, asking him to force a relative or friend into drug treatment.

Florida has a law, similar to the Baker Act for the mentally ill, that allows addicts to be ordered into treatment against their will.

But the 1971 law was virtually unused until recently.

Said Tom Oik, who chairs a group studying involuntary treatment. Procedures vary among counties, he said, and some have no policies at all.

In Hillsborough, Alvarez hears the cases in his chambers. Florida law books line one end of the room. At the other sits the law personified: the judge in his flowing black robe.

One recent morning, he took jail inmates first so others would see what happens to those who disobey his orders.

People who skip a hearing or refuse evaluation or treatment can be sentenced to six months in jail or a juvenile detention center for contempt of court. They usually go through treatment there and then continue counseling on the outside until urine tests show they are no longer using drugs.

A 31-year-old woman had been in jail nearly three months. Her mother, who had been caring for her 2-year-old grandchild, said her daughter could return home if she got treatment.

"I think the baby needs her, and I need help with the baby," said the woman, 74, clutching a tissue in her hand.

The judge warned the defendant that he will call the state Department of Health and Rehabilitative Services (HRS) if she neglects the baby. The court petition said



Tribune photograph by BRUCE JOHNSON

Judge Dennis Alvarez handles all the Hillsborough County cases.

Court-forced drug treatment saved son, parents say

By SUZIE SIEGEL
Tribune Staff Writer

TAMPA — Except for the length of his dark blond hair and the two silver earrings in each ear, Skip Crowder resembles a dream come true for most parents. He hammers on home-repair projects, reads the Bible with his family and plans to start college next month.

He also must go to court for the sixth time in less than two years. He cannot wait.

"This will be the first time I've walked out of the courthouse on my own," said Crowder, with a cheerful honesty so different from the sullen months when he had about his addiction to crack.

His parents went to court to force him into treatment. They stuck by their decision even when he refused help and got thrown in jail, not once, but three times.

Eventually, he straightened out. He has stayed clean eight months now, and he hopes to have his parents' court petition dismissed in May. Dennis Alvarez, chief judge of Hillsborough County, said the 26-year-old has made a remarkable turnaround.

"I knew he was heading toward the morgue," said his mother, Ronnie Crowder. "Thank God for the petition. It saved his life."

The Crowders went through civil court, and thus Skip has no criminal record, despite his jail time. He's glad he got help before turning to crime. A criminal record would have hurt his chances for a decent career, he said.

Tough decision

The Crowders recommend that parents go to court as soon as possible, but they admit the decision isn't easy. Tears filled Jimmie Crowder's eyes as he recalled his son's hateful looks in court.

As the ordeal stretched on, Jimmie resented missing work to take Skip to treatment or court. He resented weekends spent visiting Skip in jail. He said he might have given up if not for his wife.

Family credits forced treatment with getting son off of drugs

■ From Page 1F

"She was the real rock that kept the family together," he said. "To me, an addict was just a weak person. But since this has all happened, I've been taught it's a disease."

Still struggling to understand, he turned to Skip. "You must have wondered if you were hurting your Mom and Dad."

Skip shrugged helplessly. "When you're high, nothing else matters."

His mother felt hurt that Jimmie could not understand their son the way she did. But she said Jimmie had no experience with addictive behavior. She did.

"My Daddy was an alcoholic," she said. "He was a good man when he was sober."

Skip is her child from her first marriage, but Jimmie adopted him as a baby. Although Jimmie brought five sons to the marriage, they were much older, and Skip was the only child at home in his teens.

Because he attended a private Christian school, he wore shorter hair and dressier clothes than other teenagers in the blue-collar neighborhood. He had to come in early while they stayed out past midnight.

Some taunted him as a "mama's boy."

"My mother was strict," Ronnie said. "I always said I wouldn't be strict. But I was."

Skip said he began smoking marijuana at age 14 to feel more accepted by his peers. His parents had enrolled him in private school to avoid bad influences in public school. But he said his school friends smoked marijuana, and one introduced him to crack in the summer of 1988.

"The more you smoked, the more you wanted. You stay high for only a few seconds, but the high is very high."

The downhill slide

Once an honor-roll student, he dropped out in the 11th grade and got his general equivalency degree (GED).

Skip had seemed happy and outgoing, his mother said. "He always wanted to please us." But on crack, he became withdrawn. "He never told a lie before. After drugs, you couldn't believe anything he said."

He had been meticulous about his appearance, sometimes showering several times a day.

"He got to be where he didn't care what he looked like, what he smelled like," Jimmie said. His weight dropped to 108 pounds, leaving him a scraggly skeleton at 5-foot-8.

"He was death warmed over," Ronnie said.

He would disappear for as long as a week. One night he slept in an old church bus abandoned beside a road. Another night he curled up in a closet in an apartment complex laundry.

The Crowders bought Skip a car at age 16. Whenever they took his keys, he stole bikes to get around. Once he borrowed his father's truck and returned with the windows smashed.

He had bought crack from guys hanging out on 22nd Street in Ybor City, where he usually went. As he pulled away, a rock crashed through his back window and cracked the front windshield.

He described a world where young dealers openly flagged down cars, where they pulled up their shirts to show the gun shoved in their waistband.

"They often took your money and gave you nothing. What could you do?"

To buy crack, he pawned his gold necklace, watch, ring, radio and stereo equipment. Then he stole his father's diamond pinkie ring.

Ronnie found the pawn slip on



Tribune photograph by TODD L. CHAPPEL

Skip Crowder and his mother, Ronnie, spend a quiet moment together reading the Bible.

Skip's dresser in September 1988, confirming her suspicion that he was on drugs. The Crowders drove him to CareUnit, a private drug treatment program in Tampa, that night. They spent hours convincing him to stay.

A counselor recommended they file a court petition the next day. At first, Skip didn't take the court seriously. He thought treatment was simply a nuisance to tolerate until he could return to the streets.

He completed a 56-day program at CareUnit. Nearly two months later, he started smoking again. The court let his parents try Straight Inc., a non-profit treatment program in St. Petersburg.

Skip joked that CareUnit, with its comfort and recreation, resembled a Holiday Inn while the strict and sparse Straight was like the Bates Motel in the movie "Psycho."

He walked out of Straight after 40 days. His parents found him hiding in the back yard, stoned. They dragged him back to court.

"By this time, the judge was getting kind of peeved," Skip said.

The shock of jail

Alvarez sent him to jail for contempt of court. He was released after a month to enter outpatient counseling at the non-profit DACCO (Drug Abuse Comprehensive Coordinating Office). He left after nine days, got high, returned to court and was ordered into a five-week treatment program in jail.

Afterward, the family went on vacation to Disney World, the mountains of North Carolina and his grandmother's home in Fort Walton Beach.

"The whole time I was thinking about getting high," Skip said.

As soon as he got home, he ran off with a camera and video-cassette recorder, in search of crack. Alvarez had him arrested and thrown in jail.

"He cried in court," said Chris Howland, a court liaison for DAC-

CO. "He just seemed desperate over his addiction."

Skip said he thought of suicide. He told a guard and before he knew it, he was stripped, wrapped in a paper robe and strapped to a bed for the weekend until a psychiatrist could talk to him.

"I realized I had to do more with my life."

He went to Charter Hospital, a private psychiatric hospital in Tampa, for three weeks, then into family counseling. He gives counselor Lou Anez and pastor Rapley Armstrong much of the credit for his recovery. Armstrong had often visited him in jail.

"He knew Skip had the Lord in him," Ronnie said.

At first, the court required random drug tests once a week. He's now down to one a month.

"He's always upbeat now," Howland said. "He's on the home-stretch."

The family does things together that would have been inconceivable a year ago. They dine out nearly every night. They attend church on Sunday, sometimes twice, and often return on Wednesday night. Once a heavy metal fan, Skip now prefers country music, and he and his parents went to a recent "Alabama" concert.

Over the years, the Crowders have added rooms and luxuries, such as a spa and deck, onto their modest north Tampa home. Skip has replaced the screens around the pool and next plans to redo the shed floor.

"He's always working around the house without me asking," Ronnie said.

He's also building a doghouse for his first pet, a basset hound named Bozo that he got for his birthday in January. Skip has no doubt he will stay straight as more birthdays come and go.

"I don't even think of it," he said. "The closest I get to drugs is taking a vitamin each morning."

17-year-old 'escapee' says he was 'beaten' for not cooperating



Jerry Vancil: 'They just kept on screaming and yelling.'

hard with the open hand."

"Nobody hit him," one youth insists. "Nobody does that. He was swinging at people."

After about half an hour Jerry says the youths backed off. One tossed a pillow in his face, urging him to hit it. "They said, 'Hit the pillow, just get out all your frustrations,'" he says. "I said, 'No, I'm not gonna hit no one.'"

"It's frustrating (working with clients like Jerry), but we didn't take our frustrations out on him," one youth insists.

As the session ended, Jerry says he was mystified: "They came up and put their arms around me and said 'We'll love you, we just want you to stay here, we don't want you to go out there and kill yourself.'"

"I was saying 'Yeah, look what you're doing to me in here.' I was saying that in my head."

Jerry rejoined the other clients. He said he was sore and swollen from the session and asked for an ice pack to hold on his chest. One of the youths remembers getting it for him.

On Oct. 27, about three weeks after the treatment, Jerry says he "escaped" from Straight and left Florida, hoping never to return. (Edith has since run away, too, and plans to join Jerry.)

The day after his escape, one counselor and three Straight graduates went looking for him. (Program director Hartz says he doesn't authorize such search parties, "but they do a good job.")

When they reached Jerry's old north St. Petersburg apartment complex it was about midnight, one of the youths says. They began questioning neighbors about Jerry's whereabouts.

ONE NEIGHBOR says the boys told her they were from "the state attorney's office." When she refused to answer their questions, she says they threatened to return with a search warrant.

Program director Hartz says the session with Jerry was an accepted treatment designed to pull the juvenile through a wide range of emotions.

"THE GOAL is very simple," he says. "It's to get the kid to start feeling guilt for what he has done. A kid's got to get in touch with what he's done, and he's got to make amends for it." He says counselors try to balance the use of guilt with love.

Hartz was not in the room. Nor was any other adult. If someone proved that his counselors acted wrongly, he says he would act. But it is Jerry's word against theirs.

Hartz thinks Jerry is concocting the tale to get back at Straight.

If there was a fight, he says, "I'll lay you odds that Vancil initiated it, because Vancil does not like to be confined in a small area . . . at all."

Guilt — "adversive reinforcement" such as was administered to Jerry — can be effective if used along with positive treatments, says Dr. James M. Anker, chairman of the Psychology Department at the University of South Florida.

But professionals use it with "great care." Anker says. "We want to make sure someone isn't working out his own problems (on the patient)," he says. "If they (Straight) capitalize on this guilt thing, I would be uneasy."

The message wasn't getting through to Jerry Vancil, and it began to frustrate those around him.

One day last October, counselors at Straight Inc. decided to try a different technique to reach the 17-year-old — a method used only in unusual cases.

That decision has now raised questions — and accusations.

"I think it was on a weekend, Saturday or something," the youth recalls. "I was just slouching down in my chair and wouldn't pay attention, and I told them I wouldn't sing their songs."

On that day, Jerry kept breaking the rules, deliberately, "so they took me in the back room."

JERRY SAYS he was "beaten" by six Straight counselors and clients, one 18, the rest 17. It is something program rules strictly forbid:

The other youths say "no physical violence" was used. But they acknowledge taking part in an intensive shouting and prodding session. One boy says, "It was a kind of a type of therapy. Some couldn't handle it, like Jerry."

The two versions almost match perfectly. But the Straight counselors disagree with Jerry's definition of being "beaten."

A belligerent attitude characterized Jerry's three-month stay in Straight, Pinellas County's new drug rehabilitation program. He conducted that he resisted from the first day his mother enrolled him, along with his sister Edith, 16. (A younger brother also is enrolled.)

They were among the juveniles who for 12 hours a day underwent Straight's peer-pressure methods of behavior modification — until Jerry and Edith "escaped."

BASED IN a warehouse in northwest St. Petersburg, Straight is a private corporation that has been praised by judges, parents and youth officials throughout the county.

But Jerry doesn't think the praise is deserved and wanted his story told by *The St. Petersburg Times*.

Two things are important to note here.

Jerry is no "typical teenager." He has divorced parents, little interest in school, a taste for marijuana and a criminal record of auto theft, breaking and entering and aggravated assault.

But neither are the Straight counselors typical professionals. James E. Hartz, Straight's 29-year-old director, has a degree in clinical psychology. But he has no prior experience in drug rehabilitation work. His 14 youth counselors are themselves former problem teenagers, either graduates of Straight or senior clients generally not much older than those they treat. Program Director Helen R. Petermann is the only other adult on the staff, and she has no former drug therapy training. There are also several adult volunteer workers.

One of the youths "took me back in the chair, and everybody was standing there," he remembers, adding, "Don got a hold of my right arm and Dave got a hold of my left arm."

"He (Jerry) needed some help getting

his feelings out," one counselor says.

"Feeling that guilt, that's what keeps you going," says another. "If you don't feel guilty about doing something you keep doing it."

Several girls, all Straight clients, were in the room, and Jerry says they began to yell at him, things like "If you get out you'd probably go be a fag" and "Think you're Joe Stud?"

"They just kept on screaming and yelling," he says.

Two boys "were yelling in my ears that 'you're killing your mom because you won't work (cooperate with the program).'"

"First we talked to him, then we yelled at him and tried to make him feel guilty," recalls a counselor.

"I started saying 'Jerry, what's wrong with you?' I was tapping him (his chest) with my finger," says another.

Jerry was being blitzed from all sides.

"One kid would sit there for five minutes and shout in his ear, 'How does it feel not to care about your mom?'" a counselor says. "Just hitting him with reality from everywhere. He knew it was for his own good."

"They were hitting me in my stomach and my chest at the same time," says Jerry. A few minutes later the girls left. "Then they (the boys) really started punching me," he says. "Twice as hard."

"Yeah, it hurt. God, just pain, and in the same place, too — a lot."

One counselor says, "There were no fists. We were just kind of patting him with our hands."

Jerry says his left arm, locked in a wrestling hold by one boy, began to numb. "I couldn't feel anything in my hand," he says. "I cried, 'cause after a while the pain in my chest was really hurting bad, and . . . they cut the circulation all the way up to my fingers."

The others remember Jerry crying, not out of pain, but out of relief that his emotions had been opened.

At one point Jerry says a boy "smacked me in my face, you know, he hits me that way, really

St. Petersburg Times

Publication Date: 5/10/87

Page: 1D

HD: Drug treatment program isn't answer for every child

BY: DAVID FINKEL

SE: Going Straight

EX: "Drug treatment is different. This is not a normal world."

- Bill Oliver, executive director of the Straight Foundation

It was 16 months ago when Bill Oliver said that to me, and in the time since I have come to realize he is right.

At Straight, drug treatment is different.

At Straight, the world is not a normal place at all.

For a series of stories that were published last week in the St. Petersburg Times, I followed the progress of a drug-dependent teen-ager from the time he first entered Straight on March 31, 1986 to the time he left a year later. He left a success. The program worked wonders for him. Yet even on his last day, his time of personal triumph, a question kept nagging at me.

The question: If the time came, would I ever put my child in Straight?

The answer: I don't know.

It's an answer that amazes me because when I began researching the stories, my answer at that point would have been a flat out no. Then I began observing the methods of Straight as closely as any outsider has ever seen them. In the young man I followed, whose name is Paul Kulek, I saw phenomenal changes.

When he entered the program, he was two days shy of his 16th birthday. He was a small, skinny boy lacking in self-confidence, and his troubles with drugs ran deep. A year later when he left the program, he had stopped using drugs, he was getting along with his parents, he had goals and high hopes.

But one success doesn't mean an entire program is perfect, and some of the things I saw over the past year left me convinced that Straight is imperfect in many ways.

There is high turnover among the staff. In its defense, Straight says that in such an intensive program, turnover should be expected. But in the past year Straight has had three different directors. That seems like a lot in a program where a child's rehabilitation depends in large part on routine and continuity.

At lower staff levels, turnover was also high: At one point while I was following Paul, the program seemed bloated with staff members who knew the goals of the program and could recite the theories behind them, but didn't seem to understand what makes those theories work.

"Why do you sing that particular song?" I once asked a staff member after hearing a roomful of teen-agers sing "Zip-A-Dee-Doo-Dah" in a slow, awkward cadence.

"I don't know. We've always done it that way," was his reply.

If my child had been in the program, that answer wouldn't have been good enough for me.

There is an extraordinary emphasis on the role of parents.

One of the more commendable aspects of Straight is that it seeks to heal an entire family, not just the child with a drug dependency. The problem is that at some point in the program, most families become "host homes," which means other young people in the program come to

live with them, getting support and guidance in the process. For the Kuleks, being a host home was one of the more rewarding parts of the program, but the Kuleks are exceptional: Their marriage is strong, and they give off the sense that they're in control.

This isn't true of some of the other parents whose children are in the program. In many cases, it is their behavior that has alienated a child into drug use, and it would bother me greatly if my child spent time in such a home. To have my child turn to such a troubled parent for help - a parent with no professional counseling skills and distorted emotions - could be ruinous.

There are problems with communication. At one point, Paul came within a heartbeat of being expelled from Straight.

Written off as unsalvageable by Straight's then-associate director, Paul was sent away from the program, and only the last-minute intervention of the director, who had taken a special interest in Paul, allowed him to return. Paul got another chance and proved so successful he is now in training to join the staff; how many other kids were sent home and not given a second chance to come back?

Another time, just after Paul entered the program, the group sang an old spiritual song in which the lyrics could be construed as racist. Asked about it, a senior staff member conceded the song could be considered offensive and said it would be sung no more. Yet toward the end of Paul's program, the song was still being sung often enough that all the people in the program had memorized the words; when asked why, the staff member said he didn't know.

There are other peculiarities of the program: There is the inanity of the entire group saying "'Love you'" to whoever has just finished speaking, as if saying such a thing by routine could make a person feel warm and wanted.

There is the oddity of "'motivating,'" the process of stabbing a hand in the air to be called on to speak. More than once, I saw kids motivate to a point that seemed painful, only to have a discussion leader egg them on to try even harder by saying, "'Motivating is what separates winners from losers.'"

There is the "'whiteness'" of the program. Of the 233 people who were admitted to Straight from the time Paul began the program to the time he finished, only a handful were black. Almost all were white and from middle or upper-middle-class backgrounds. If Straight is, as it contends, one of the country's most successful drug-treatment programs, it should figure out ways to make its methods available to a wider segment of the population.

Perhaps surprisingly, my biggest complaint isn't concerned with the allegations of brainwashing and cultism that have surrounded Straight since its inception. Straight, I've decided, may be peculiar, but a cult it isn't; while a cult seeks to isolate its members, Straight's ultimate goal is to return them to society.

Instead, my complaint is with Straight's insistence that it be allowed to hold people under 18 against their will, as long as their parent or guardian gives approval. To me, this isn't only unnecessary, it's also potentially abusive.

Straight, after all, is a business. It may have nonprofit status, but it also has visions of expanding. In 11 years, it has grown from one treatment center in Pinellas County to eight in seven states, and by the end of 1988, officials hope to have the number up to 13.

All of this takes money. All of this takes a bank account that is growing rather than shrinking. Straight may insist its motives are pure and its screening process for potential clients the best, but these are fat times in drug rehabilitation. What about the slow times? What might happen when the blue chairs of Straight are empty and the bills need to be paid? Would Straight relax its admission standards to increase

business?

All of this then, is why I don't know if I would put my child in Straight. When I try to figure out the answer, I find myself thinking about three things:

First - the Kuleks. They are a healed family. Straight, they say, is the best thing that ever happened to them.

Second - a phone call I received recently from a woman in tears. Six years ago, she said, she tried to get her son in Straight - or any other drug-treatment program - but was turned down because she had no money or insurance. "I was on the phone for almost a week," she said. "I went to church groups. I swore I would pay back the money. I begged." She got no help, though, and six years later her son is still out on the streets, high as can be, out of control. There is a horror to drug abuse, she said weeping, that can't even be imagined.

Third - what I've seen.

What, then, would I do with my child?

I know I never want to become the woman on the phone. I also know chances are good my child would emerge from Straight as healthy as Paul did.

But from what I have seen in the past year, I know too that putting her in would be the last step I would take.

I wouldn't put her in if her drug use were experimental. I wouldn't put her in if she were doing nothing more than smoking pot or drinking. The program is severe. It changes lives. If I were certain she did need help, I would try counselors, I would try less demanding programs, I would try anything. Only then, if all of those things failed, might I try Straight as a final attempt.

SC: PERSPECTIVE

PG: 1D

AT: analysis drug\$

SU: Straight, Incorporated

TY: SERIES; COLUMN

ED: CITY

Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA) (P) Date 6/11/93

From : SA [REDACTED]

Subject: [REDACTED]

STRAIGHT, INC.,
GANDY BOULEVARD,
ST. PETERSBURG, FLORIDA;
FBW - INSURANCE;
OO: TAMPA

Referenced investigation was predicated upon information from the UNITED STATES ATTORNEY'S OFFICE (USAO), Middle District of Florida (MDF), Tampa, Florida, regarding a Civil Action against [REDACTED]

[REDACTED] During this civil matter the USAO received a complaint of allegations of insurance fraud. Investigation to date indicates that administrators of STRAIGHT, INC. were double billing the clients admitted to the program. Upon admissions, the parents of the children were required to make payment to STRAIGHT, INC. and also assign their insurance claims to STRAIGHT, INC. Administrators at STRAIGHT, INC. would then bill the insurance company and fail to reimburse the family members from these insurance profits. The money was utilized for payroll and office operating capital for STRAIGHT, INC. as well as personal expenditures of the management team.

STRAIGHT FOUNDATION is the holding company for STRAIGHT, INC. and does maintain all the assets for this corporation. STRAIGHT INC. was responsible for the rehabilitation and treatment of the clients. The subjects of this investigation are the Executive Staff for STRAIGHT, INC. It has not been determined whether or not individuals or members of STRAIGHT FOUNDATION participated in this fraud. In addition, it would be premature to ascertain the forfeiture potential of STRAIGHT, INC. and STRAIGHT FOUNDATION's properties. Prior to the property being sold, those individuals responsible for the sale of the property should be identified.

② - Tampa
CFB:tar
(2) [Signature]

209B-TP-28810-17

SEARCHED [] INDEXED []
SERIALIZED [] FILED []
JUN 11 1993
FBI-TAMPA
[Signature]

wlc sent

b6
b7C

b6
b7C

b6
b7C

209
196B-TP-28810

The subjects involved in this investigation, to date,
include [REDACTED]
[REDACTED]

b6
b7C

Memorandum



To : SAC, TAMPA (196B-TP-28810) (PRA) (P) Date 5/21/93

From : SA [REDACTED]

Subject: [REDACTED]

ET AL;
STRAIGHT, INCORPORATED,
GANDY BOULEVARD,
ST. PETERSBURG, FLORIDA;
FRAUD BY WIRE - INSURANCE;
OO: TAMPA

The purpose of this memo is to request that a sub file be created to serve as a repository for all insurance billing statements in the above referenced matter.

②-Tampa
CFB:lm
(2)gr

209B-TP-28810-18
SEARCHED INDEXED
SERIALIZED FILED
MAY 21 1993

w/c sent

Please PSA
consecutive
Sub - file
LC SAs

TV KJ
6/22/93

b6
b7C

b6
b7C

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/25/93

[redacted] White female, date of birth [redacted] Social Security Account Number [redacted], was advised of the identity of the interviewing Agent and the purpose for the interview. [redacted] then made available the following information:

b6
b7C

[redacted] became acquainted with STRAIGHT INCORPORATED in [redacted] when she admitted her son [redacted] into this facility [redacted] who was 15 years old upon his admission at STRAIGHT INCORPORATED, remained at the facility until [redacted] when [redacted] pulled him out of the program because of physical abuse. In [redacted]

b6
b7C

[redacted] her son was exhibiting uncontrollable and uncooperative behavior. When [redacted] son arrived home under the influence of alcohol, she became extremely frightened and panicked [redacted]

[redacted] On one evening when her son was giving her extreme difficulty, she contacted HRS, who advised her to call STRAIGHT INCORPORATED. [redacted] did telephonically contact a counselor at STRAIGHT in [redacted] and was advised that she should come to the facility with her son immediately.

b6
b7C

[redacted] did travel to STRAIGHT INCORPORATED where she was immediately separated from her son. [redacted] recalls signing numerous documents upon her son's admissions; however, she could not recall specific details due to being extremely agitated and upset over the whole incident. On this evening [redacted] was also instructed to withdraw her son from school based on medical reasons. [redacted] advised that STRAIGHT, as the parents withdraw the students, therefore, they cannot be accused of denying them an education.

2093 196B-TP-28810-19

SEARCHED	INDEXED
SERIALIZED	FILED
MAY 25 1993	
FBI - TAMPA	

WLC sent

b6
b7C

Investigation on 5/7/93 at Clearwater, Florida File # 196B-TP-28810

by SA [redacted] /bjm Date dictated 5/7/93

196B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 5/7/93 , Page 2

b6
b7C

On an admission of her son, [REDACTED] did provide a \$3,500 deposit which was to cover the initial testings for her son. [REDACTED]

b6
b7C

[REDACTED] was required to pay \$450 per month for the care of [REDACTED] which was the total amount of his Social Security benefits. [REDACTED] is not aware that she was required to pay host-home family fees and believed that this cost of care was included in the \$450 that she paid per month. During the initial admission phase [REDACTED] did inform STRAIGHT that she had no other means to pay STRAIGHT INCORPORATED. She was told not to worry about this and that Blue Cross/Blue Shield should cover the remaining balance. [REDACTED] later learned that Blue Cross/Blue Shield would not pay for STRAIGHT INCORPORATED's cost of care due to the fact that STRAIGHT is not recognized as a health-care facility. Her Blue Cross/Blue Shield did pay for any cost of care at outpatient facilities to include all children's hospital.

When [REDACTED] removed her son in [REDACTED] she continued to receive billings from STRAIGHT INCORPORATED; however, because they were not itemized, she did not know what dates of care these were in reference to [REDACTED] was later sued by STRAIGHT INCORPORATED for a remaining balance of \$2,900; however, she countered sued STRAIGHT INCORPORATED and the judgment was removed with prejudice. [REDACTED] did make reference to other problems at STRAIGHT INCORPORATED to include when she was [REDACTED]

b6
b7C

[REDACTED] she was informed by STRAIGHT staff that they would notify her son. [REDACTED] later learned that they in fact had never informed her son that she was in the facility and that he was told that his mother did not come because she hated him.

[REDACTED] stated that she was initially extremely supportive of the programs and spoke to numerous parents and traveled to various high schools on behalf of STRAIGHT INCORPORATED. When her son was allowed to return to the family with other clients, she began to notice that he was extremely nervous, pale, and not eating. Following an observation of two weeks [REDACTED] became extremely concerned for her son. On one evening, after she had agreed to accept children into her homes, a "newcomer" informed [REDACTED] that if he was her son, he would be begging her [REDACTED] to remove him from STRAIGHT INCORPORATED. Prior to removing her son from STRAIGHT

b6
b7C

196B-TP-28810

Continuation of FD-302 of [REDACTED], On 5/7/93, Page 3

b6
b7C

INCORPORATED, she did write numerous chain of command letters to STRAIGHT INCORPORATED as required by their policy. These complaints were either ignored or she was given a generic answer. In response to her filing these "chain of command" reports, her son was not allowed to come home with her with other children.

b6
b7C

[REDACTED] removed her son when she witnessed physical abuse to him by [REDACTED] did attempt to initiate criminal charges against [REDACTED] however, when she reported it to HRS, she was not aware that she was also required to make the report to the police directly. The report to HRS was neither confirmed or denied regarding the abuse to her son.

b6
b7C

[REDACTED] advised that her attorney is in possession of all her documents; however, she would get the billings for the different drug treatment and doctors that supposedly treated her son. [REDACTED] advised at this time, that her attorney had to sue STRAIGHT INCORPORATED to obtain a copy of her contract with the program. [REDACTED] will make this available to the investigative agencies.

b6
b7C

[REDACTED] believes she paid over \$10,000 for the cost of her son's care at STRAIGHT INCORPORATED.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 6/15/93

TO : SAC, TAMPA

FROM : SAC, SAN ANTONIO (196B-TP-28810) (SQ. 12/ARA) ²⁰⁹

SUBJECT : STRAIGHT, INC.;
 FRAUD BY WIRE;
 OO: TAMPA

The following information is provided for the information of the Tampa Division.

On May 26, 1993 [redacted] identified as a white female, telephone number [redacted] telephonically contacted the Austin Resident Agency. She stated that she had recently read in a newspaper that a Federal Bureau of Investigation (FBI) office in Florida was in the process of conducting an investigation of Straight, Inc. She advised that she has information which may be of interest to the FBI case.

Through FOIMS, it was determined that the Tampa Division has a case on above captioned subject. San Antonio is not aware of the status of Tampa's case, but if there is an interest in pursuing this lead, the Tampa Division is requested to notify the San Antonio Division.

② - Tampa
 1 - San Antonio
 NH/njm
 (3)

(P)

209B-Tp-28810-80

BT BT

JUN 17 1993

CIA

[redacted]

1*

wlc sent

Approved: [signature]

Transmitted

(Number) (Time)

Per

b6
b7C
b7Db6
b7C

Date 6-24-93

☐ Birth ☐ Credit ☐ Criminal ☐ Death ☐ INS ☐ Marriage* ☐ Motor Vehicle ☐ Other _____

To	Buded
Return to	File number
	<u>209-B-28810</u>
Name and aliases of subject, applicant, or employee, and spouse	

b6
b7C

STRAIGHT Inc

Addresses	
Residence	
Business	
Former	<u>has an inactive file, no employment listed.</u>
*Date and place of marriage (if applicable)	

b6
b7C
b7D

Race	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	Age	Height	Weight	Hair	Eyes
Birth date		Birthplace				
Arrest Number		Fingerprint classification		Criminal specialty		
Social Security Number				Drivers License Number		
Specific information desired						

Results of check

Please run SSAN 209B-28810-21

b6
b7C

(Trans Union Trace report of above sec. #s attached)
done 7-6-93 bit
LEAD COVERED 7-6-93
to assign in computer
7-6-93 bit
please assign lead to
lead covered 6/25/93

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 24 1993	
FBI - TAMPA	

209B-28810

JHW:jhw

1*

The following investigation was conducted by IA [] on
June 25, 1993:

b6
b7C
b7D

[]
advised [] Social Security number []
[] telephone
number [] has an inactive file, no employment was listed.

[] advised [] Social Security number
[] has the following employment history:

[]

Trans Union Trace address report of Social Security numbers
[] are attached.

b6
b7C

[]

-1-

209B-TP-28810
CFB:lm

b6
b7C
b7D

The following investigation was conducted by Special
Agent (SA) [redacted] in Clearwater, Florida:

[redacted] has relocated to [redacted]
[redacted] telephone number
[redacted]

209B-TP-28810-22
BT BT

wlc sent

CIA [redacted]

[Handwritten signature]

b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 6/25/93

TO : SAC, ATLANTA
 FROM : SAC, TAMPA (209B-TP-28810) (PRA) (P)
 SUBJECT : [REDACTED]

STRAIGHT, INCORPORATED,
 GANDY BOULEVARD, ST. PETERSBURG, FLORIDA;
 FBW - INSURANCE;
 OO: TAMPA

For information of receiving offices, this case was initiated following receipt of a referral from the UNITED STATES ATTORNEY'S OFFICE (USAO), Middle District of Florida. The Civil Division of the USAO had recently filed a civil action [REDACTED]

seeking to collect approximately \$950,000 owed to MEDICARE. The civil case arose when MEDICARE's fiscal intermediary made an obvious and gross mathematical error and mistakenly paid this money to a dissolved corporation which [REDACTED] and [REDACTED] were directors and trustees. Rather than return the money, they pocketed the funds. The case did receive publicity in the St. Petersburg Times newspaper, St. Petersburg, Florida, which resulted in contact from members of the community regarding other ongoing fraud committed by [REDACTED] and others to STRAIGHT, INCORPORATED.

2-Atlanta
 2-Baltimore
 2-Boston
 2-Detroit
 2-Richmond
 2-San Antonio
 ②-Tampa

CFB:lm
 (14) [initials]

11/29/93
Assigned to
SA [REDACTED]
she asked if he
reassigned to another
SA in present
squad #3.

209B-TP-28810-23

SEARCHED
 INDEXED
 SERIALIZED
 FILED
 CIA [REDACTED]

Approved: [initials]

Transmitted

(Number) (Time)

Per

STRAIGHT, INCORPORATED (STRAIGHT) is a non-profit, adolescent substance abuse treatment organization headquartered in St. Petersburg, Florida, with facilities throughout the United States. At its prime, STRAIGHT had ten programs throughout the United States and Canada, and fourteen satellite offices. Only one remaining facility located in Atlanta, Georgia, is in operation.

Parents of the adolescents with a substance abuse problem were required to pay anywhere from \$14,000 to \$19,000 to STRAIGHT for an eighteen month course of treatment at the time of admissions. The parents were required to assign their interest in their insurance claims directly to STRAIGHT. STRAIGHT would then submit the claims to the various insurance companies for payment indicating that they were an inpatient service facility. Instead of reimbursing the parents when the payments were received from the insurance companies, this money was maintained by STRAIGHT for payroll and other operating expenses. When the insurance companies failed to notify the parents of their reimbursement to STRAIGHT, STRAIGHT failed to notify the parents that they had received payment for the same service. In addition, on some occasions, services which were never rendered were billed to the insurance carrier. Reimbursement to the parents only occurred when they threatened to either sue or contact their local congressman.

From 1988 to 1990, STRAIGHT was experiencing severe cash flow difficulties. Explanations for these difficulties can be attributed to over-expansion, a decrease in patient admissions, several large settlements regarding their treatment of their patients, and mismanagement of funds.

STRAIGHT did layoff numerous employees and instituted a five percent reduction for all current employees. Interviews conducted to date determine that while these reductions were instituted, the managers of the organization,

continued to receive high salaries; numerous bonuses; utilization of company credit cards for personal use, to include travel to Las Vegas, bikini waxing, dinners; and other travel expenses to include a ski trip to California.

Receiving offices are requested to conduct interviews and inquire of the individuals how they became involved with STRAIGHT, obtain all insurance documents and payments to STRAIGHT. Inquire as to the accuracy of services provided and payment from the insurance companies, and any incidents of double billing by STRAIGHT to insurance companies.

Inquire in the interview of former clients of STRAIGHT as to whether or not they were informed of any scholarship or government funding programs and whether or not they received these funds. Did these individuals have any interaction with the headquarters facility in St. Petersburg, Florida? Who was their contact within STRAIGHT? Please obtain any and all documents regarding insurance, payments, and billing only. During the interviews it is requested that these individuals be asked if they are aware of any other individuals who experienced similar problems with STRAIGHT.

LEADS:

ATLANTA DIVISION

AT ATLANTA, GEORGIA

Contact INSURANCE COMMISSION and DEPARTMENT OF HUMAN SERVICES regarding STRAIGHT, INCORPORATED located at 2221 Austell Road, Marietta, Georgia, (404)434-8679, for any outstanding complaints filed in that State.

BALTIMORE DIVISION

AT BALTIMORE, MARYLAND

Interview [REDACTED]
[REDACTED]

Interview [REDACTED]

[REDACTED] Contact
[REDACTED] ALCOHOL AND DRUG COMMISSION,
regarding complaints filed in the State of Maryland against
STRAIGHT, INCORPORATED.

BOSTON DIVISION

AT STOUGHTON, MASSACHUSETTS

Contact STATE INSURANCE COMMISSION and HEALTH AND HUMAN RESOURCES regarding any insurance complaints directed against STRAIGHT, INCORPORATED, located 53 Evans Drive, Stoughton, Massachusetts, (617)344-0930. Also determine, if possible, the reason for the closure of STRAIGHT in Boston.

DETROIT DIVISION

AT PLYMOUTH, MICHIGAN

Contact STATE INSURANCE REGULATORS regarding any formal complaints submitted against STRAIGHT, 42320 Ann Arbor Road, Plymouth, Michigan. If any individuals are identified, please attempt to interview these people.

RICHMOND DIVISION

AT MIDLOTHIAN, VIRGINIA

Interview [REDACTED]
[REDACTED]

b6
b7C

SAN ANTONIO DIVISION

AT AUSTIN, TEXAS

Interview [REDACTED]
[REDACTED] DISTRICT ATTORNEY'S

OFFICE, P.O. Box 1748, Austin, Texas, regarding his investigation into STRAIGHT, INCORPORATED.

b6
b7C

TAMPA DIVISION

AT TAMPA, FLORIDA

Interview [REDACTED]
[REDACTED]

b6
b7C

Interview [REDACTED]
[REDACTED]

AT LARGO, FLORIDA

Interview [REDACTED]
[REDACTED]

[REDACTED] Contact ALLIED CHEMICAL LAB, 9424
44th International Court, St. Petersburg, Florida, (813)

Interview [REDACTED]
[REDACTED]

b6
b7C

Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA) (P) Date 6/25/93

CR

From : SA [redacted]

Subject: [redacted]

ET AL;
STRAIGHT, INCORPORATED,
GANDY BOULEVARD,
ST. PETERSBURG, FLORIDA;
FBW - INSURANCE;
OO: TAMPA

It is requested that a sub file be created to serve as a repository for all medical bills in referenced investigation.

② Tampa
CFB:lm
(2) *lm*

*DONE 7-7-93 but
open and assign
Sub C to [redacted]
KES 7/1/93*

209B-TP-28810-24
BJT : BJT

CIA [redacted] *JE*

b6
b7C

b6
b7C

Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA) (P) Date 7/1/93

From : SA [redacted]

Subject: [redacted]

ET AL;
STRAIGHT, INCORPORATED,
GANDY BOULEVARD,
ST. PETERSBURG, FLORIDA;
FBW - INSURANCE;
OO: TAMPA

The purpose of this memo is to request that a sub file be created to serve as a repository for all newspaper articles concerning the above referenced matter.

②-Tampa
CFB:lm
(2) *lm*

Sub C
to SA
7/2/93
done 7-7-93 wjt

209B-TP-28810-25
BJT BJT

CIA [redacted] *[signature]*

b6
b7C

b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 7/14/93

TO : SAC, TAMPA (209B-TP-28810) (PRA)
 FROM : SAC, DETROIT (209B-TP-28810) (RUC) (C-6)
 SUBJECT :

STRAIGHT, INCORPORATED,
 Grandy Boulevard
 St. Petersburg, Florida;
 FBW - INSURANCE
 (OO: TAMPA)

Re: Tampa airtel to Atlanta, dated 6/25/93.

Detroit was requested to contact STATE INSURANCE Regulators regarding any formal complaints submitted against STRAIGHT, 42320 Ann Arbor Road, Plymouth, Michigan.

On 7/13/93 Quality Assurance and Licensing, Public Health Department, 3423 N. Logan, Lansing, Michigan, advised that his office handled complaints against health facilities in the State of Michigan. said he was very familiar with the STRAIGHT facility in Plymouth, Michigan. He said it closed permanently on 6/30/93. said that during his nineteen years of working in the Quality Assurance office, he never received complaints against STRAIGHT relative to insurance reimbursement or other insurance matters. However, his office received numerous complaints related to sanitary conditions at the facility and the use of restraints on patients. advised that the complainants' names were confidential. He could provide no further information at this time.

② - Tampa
 1 - Detroit
 DLB/wjh
 (3)

*3

209B-TP-28810-26

Approved: _____

Transmitted _____

(Number)

(Time)

Per _____

JUL 19 1993

wlc sent

CIA

b6
b7cb6
b7cb6
b7c

File - Serial Charge Out
FD-5 (Rev. 10-13-89)

Date 2-4-94

File 209A TP 28810
Class. Office of Origin Case No. Last Serial

☐ Pending

☐ Closed

Serial No.	Description of Serial	Date Charged
27	Serialized to the wrong file number. Should have been 29B-TP-26478	2-4-94



b6
b7C

RECHARGE

Date _____

To _____ From _____

Initials of Clerk

{ _____

_____ }

Date

{ _____

_____ }

Date charged

Employee

Location



STATE OF FLORIDA
DEPARTMENT OF HEALTH AND REHABILITATIVE SERVICES

July 16, 1993

[redacted]
Special Agent
Federal Bureau of Investigations
801 West Bay
Suite 601
Largo, Florida 34640

b6
b7C

Dear [redacted]

Attached is a copy of our final investigative report on OSIG Case #92-0242. Also, upon further review of the case file there is additional information related to possible insurance fraud.

If this office can be of any assistance please call me at (904) 487-3128.

Sincerely,

[redacted]

Acting Chief of Investigations

attachment

209B-TP-28810-28

SEARCHED
SERIALIZED
INDEXED
FILED
BUT BUT

AUG 10 1993

CLH

[redacted]

b6
b7C

OFFICE OF THE INSPECTOR GENERAL
DEPARTMENT OF HEALTH AND REHABILITATIVE SERVICES

OSIG REPORT NUMBER: 92-0242 DATE: July 6, 1993

SUBJECT: Child Abuse/Neglect by Straight Inc.

REPORT OF INVESTIGATION



STATE OF FLORIDA
DEPARTMENT OF HEALTH AND REHABILITATIVE SERVICES

TO: Lowell Clary DATE: May 19, 1993
Acting Inspector General (OSIG)

FROM: [redacted]
Inspector Specialist (OSIG)

b6
b7C

SUBJECT: Child Abuse/Neglect by Straight, Inc.

OSIG Case Number 92-0242

BACKGROUND:

[redacted] filed a complaint with the Inspector General's Office (OSIG) against Straight, Inc., (Straight). In that complaint, [redacted] alleged that the Straight program is both physically and psychologically damaging to the children that are enrolled in the program. He further stated that in the past, Straight has violated numerous sections of the Florida Administrative Code (FAC) and Florida Statutes. Further, that HRS did not respond properly to a Straight licensing issue.

b6
b7C

[redacted] supplied the Inspector General's Office with numerous files reflecting violations of the FAC and copies of alleged child abuse/neglect incident reports, some of which were confirmed, unfounded, or without classification.

On April 13, 1993, Straight of St. Petersburg closed and moved its base of operation to Atlanta, Georgia. Thus, the Straight organization no longer exists in the state of Florida. Straight is a national drug rehabilitation program that had two facilities in Florida; one in St. Petersburg, which closed before this report was completed, and one in Orlando, which closed prior to the onset of this investigation. The Straight program is centered around confrontation, peer pressure, strict discipline, and high self discipline. This type of facility is licensed by HRS based on the authority of FAC 10E-16.

The abuse and neglect incidents brought to light by the complainant were properly investigated at the time of occurrence, and will not be addressed in this report. The focus of this investigation is to determine: (1) if there was a pattern of abuse or neglect by Straight; and (2) to determine if proper corrective/protective action was taken by HRS to prevent or stop improper action by Straight, with respect to the licensing issue.

DETAILS OF THE INVESTIGATION:

According to [redacted] of the Alcohol, Drug Abuse, and Mental Health, District 7 Program Office (ADM), there were occasions when HRS received phone calls from state senators inquiring about the Straight program and letting it be known that they strongly supported the program, thus exercising a certain influence concerning Straight matters.

b6
b7C

Further, during an August 22, 1989, follow-up site visit to the St. Petersburg Straight facility, the HRS licensing team was prepared to recommend that the Straight license not be issued because of lack of compliance on issues that surfaced during an earlier site inspection. While at the facility the team received a phone call informing them that no matter what they found Straight would receive their license. The person who received the phone call was [redacted] however, she stated that she did not remember who made the call or exactly what they said.

b6
b7C

Additionally, according to [redacted] [redacted] with the headquarters ADM office. he was in a meeting with [redacted] ADM, when a phone call was received by [redacted] That phone call was made by [redacted] and [redacted] [redacted] stated that the phone call was concerning Straight licensing issues. During that phone call [redacted] recalled that [redacted] told [redacted] and [redacted] to make it work.

In yet another meeting with [redacted] [redacted] Headquarters ADM, were discussing the concerns they had relating to Straight's practices. [redacted] brought up the fact that other states had closed Straight because of the very same issues raised by Florida's HRS. That is, withholding medication, excessive use of force, withholding food, sleep deprivation, etc.

b6
b7C

According to [redacted] told [redacted] "if you do anything other than what I tell you to do on this issue, I will fire you on the spot." [redacted] then turned and told [redacted] "the same goes for you." According to [redacted] stated that "there was a lot of pressure to get this thing resolved." [redacted] said that the statement about a lot of pressure to get this thing resolved was relating to the pressure from [redacted] one of the founders of Straight. According to [redacted] remembers informing [redacted] of the problems with Straight. However, she did not remember him [redacted]

b6
b7C

[redacted] stated that [redacted] as a result of the August 22, 1989, licensing team's findings. She further stated that after

b6
b7C

learning of the phone call received by the licensing team while at the Straight facility. [redacted] called [redacted] on the speaker phone. [redacted] stated that [redacted] expressed their concerns for the clients under the control of Straight. [redacted] stated that she did not remember exactly what [redacted] said, but she does remember that he told them he wanted Straight to get their license. [redacted] stated that he did not remember the phone call referenced by [redacted] and [redacted] further stated that he was never told to sign the Straight license.

b6
b7C

The OSIG's investigator conducted a telephone interview with [redacted] and he stated that he never told anyone to sign a license for Straight; further, it was outside his authority to give such an order. He also stated it was the responsibility of whoever signed the license to make sure that everything was proper before the license was issued. [redacted] also denied telling anyone [redacted] or that he was told by [redacted] to license Straight.

b6
b7C

Though it cannot be substantiated, the OSIG's investigation indicated that [redacted] was contacted several times by [redacted] concerning Straight issues. It appears that [redacted] then called [redacted] about Straight. OSIG's investigator called [redacted] several times in an attempt to obtain more information about this issue, however, the calls were never returned.

b6
b7C

The OSIG's investigation further revealed that Straight clients were young, had drug, alcohol and/or behavioral problems, and they were sometimes very difficult to work with. As a result, there has been a propensity for abuse or excessive force to be used. There is more than enough documentation in the Florida Protective Services System (FPSS) to substantiate this statement.

Most of the physical abuses were centered around the use of restraints, but not limited to the restraints. Many instances of restraints being used were against clients while they were trying to leave the facility, or clients restraining other clients. Restraints were frequently used if a client did not sit in the chair in a prescribed manor. The clients were required to sit in their chairs for approximately 12 hours a day. During that time, they had to sit up straight in the chair, and at no time were they allowed to use the back of the chair for support. If a client used the back of the chair, then that client would be restrained.

A restraint is a technique used to immobilize an individual. This is accomplished by several individuals immobilizing the victim's limbs. If applied properly there is a minimum danger to the victim.

However, frequently the restraint technique was not applied properly and the victims' arms and legs were twisted or placed in unnatural positions causing injury to that limb.

Additionally, information surfaced indicating that Straight withheld medication from some clients and failed to provide follow-up medical treatment for other clients. Clients were knowingly placed in a dangerous situation by Straight staff and in one case injuries occurred that required emergency room treatment.

As a result of this type of history, HRS personnel became very concerned for the well being of the clients enrolled in the Straight program. As stated earlier in this report, the HRS licensing team was prepared to recommend that a license not be issued to Straight. However, there were two factors that lead to the licensing of Straight; first, was the outside pressure mentioned earlier in this report, and secondly, was the limited authority given to HRS by the FAC 10E-16. The FAC 10E-16 is very specific as to conditions that must be met before a license can be denied. The OSIG investigation revealed that while dealing with Straight, HRS acted within the parameters of the FAC 10E-16.

ALLEGATIONS: 1. Undetermined; 2. Substantiated;
3. Unsubstantiated

1. The complainant alleged that the clients were psychologically damaged by the Straight program.
2. The complainant further alleged that Straight has violated numerous sections of the Florida Administrative Code and Florida Statutes.
3. Additionally, the complainant stated that HRS did not act properly when dealing with the Straight licensing issue.

FINDINGS:

1. To properly address the complainant's concern of psychological damage caused by Straight, an assessment should be made by qualified medical personnel.
2. The Inspector General's Office investigation revealed that there was a definite pattern of abuse or excessive force used against clients while at Straight facilities.
3. With respect to actions taken by HRS, it appears HRS acted within its authority given the limitations of the FAC 10E-16.
4. It cannot be unequivocally corroborated exactly what roll the outside pressure played in the licensing of Straight, however, HRS did act within its statutory authority.

CONCLUSIONS:

One of the founders of Straight was [redacted] and as a result of this, it appears that some members of HRS experienced some degree of pressure to grant Straight a license, when otherwise the license may not have been granted. However, it cannot be unequivocally corroborated that this outside influence actually altered the decision to issue the license.

b6
b7C

One of the issues raised by [redacted] complaint was the HRS licensing of Straight. While the HRS district administrators were never ordered to issue a license to Straight, there were indications that outside influence was involved with this licensing issue. It appears that pressure may have been generated by [redacted] state senators.

RECOMMENDATIONS:

If it is felt that more aggressive action should be taken by HRS in the future, then changes should be made to the FAC 10E-16 expanding HRS' authority.

COMMENTS:

[redacted]
Lowell Clary
Acting Inspector General

7-6-93
Date

b6
b7C

LC/fg

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 7/30/93

TO : SAC, TAMPA *PRA*
 FROM : SAC, ATLANTA (209B-TP-28810) (RUC)
 SUBJECT :

STRAIGHT, INC.,
 GANDY BOULEVARD,
 ST. PETERSBURG, FLORIDA;
 FBW - INSURANCE;
 OO: TP

For information of the Tampa Division, was contacted at 656-2060. handles complaints for the Insurance Commission and Department of Human Services. He advised that neither office has received complaints or has outstanding complaints on STRAIGHT, INC., located at 2221 Austell Road, Marietta, Georgia.

Inasmuch as all leads in the Atlanta Division have been complete, this case is being placed in an RUC status.

② - Tampa
 1 - Atlanta
 DDC/nb
 (3)

1*

Approved: *[Signature]*

Transmitted

(Number) (Time)

Per

FBI - TAMPA

AUG 9 1993

209B-TP-28810-29

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 9 1993	
FBI - TAMPA	

wlc sent

CTA

b6
b7Cb6
b7Cb6
b7C

Date 8/93

☐ Birth ☐ Credit ☐ Criminal ☐ Death ☐ INS ☐ Marriage* ☐ Motor Vehicle ☐ Other _____

To	Buded
Return to	File number
	209 196B-TP-28810

b6
b7C

Name and aliases of subject, applicant, or employee, and spouse

Addresses

Residence

Business

Former

*Date and place of marriage
(if applicable)

Race	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	Age	Height	Weight	Hair	Eyes
Birth date	Birthplace					
Arrest Number	Fingerprint classification			Criminal specialty		
Social Security Number				Drivers License Number		

b6
b7C

Specific information desired

Results of check

done 8-23-93 bit
Please run SS number
LEAD COVERED 8-17-93
LD assign in computer 8-23-93 bit
Thanks

209
196B-TP-28810-30

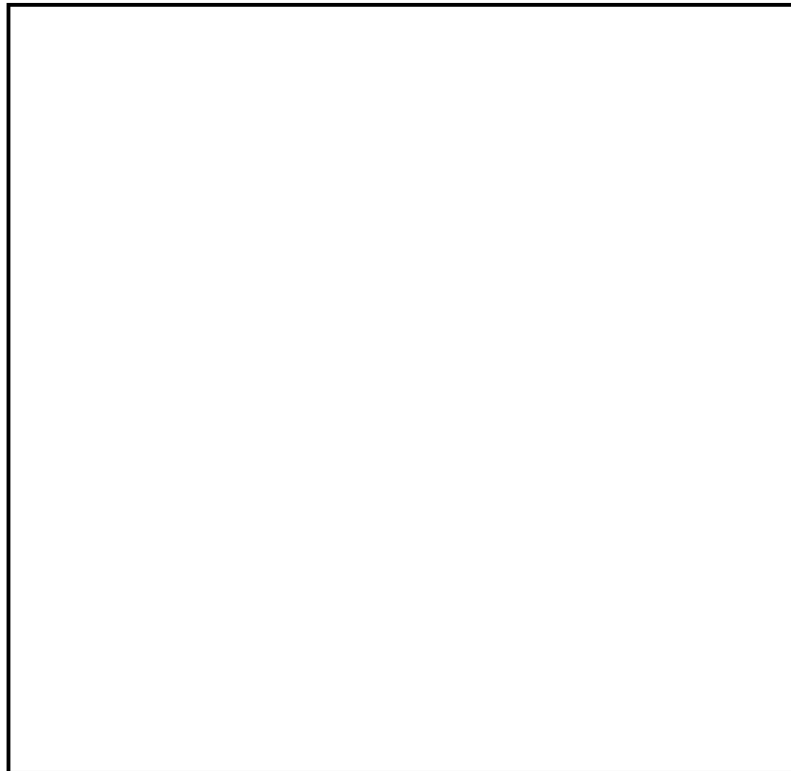
SEARCHED	INDEXED
SERIALIZED	FILED
AUG 17 1993	

Lead covered
8-17-93
GHW

b6
b7C
b7D

196 B - TP - 28810

A review of Trans Union trace for social security
number [redacted] revealed [redacted]
had the following addresses:



b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/12/93

At the outset of the interview [redacted] advised that the FBI is currently conducting an investigation concerning the operation of STRAIGHT, INCORPORATED (SI) of St. Petersburg, Florida. [redacted] is very familiar with the operation of SI, as his son [redacted] was a patient from [redacted] through [redacted].

b6
b7C

and was sent to SI at

b6
b7C

b6
b7C

b6
b7C

b6
b7C

Investigation on 8/10/93 at [redacted] File # 209B TP-28810-31
by SA [redacted] *W* sab Date dictated 8/11/93

209B TP-28810

b6
b7C

Continuation of FD-302 of [REDACTED], On 8/10/93, Page 2

[REDACTED]

b6
b7C

[REDACTED]

b6
b7C

[REDACTED] advised that upon being committed to SI, [REDACTED] entered an inpatient program at the Gandy Boulevard location, which was called Phase I of a multiple phase drug rehab program. [REDACTED] stated that his son's diagnosis by SI was alcohol dependency and poly-substance abuse. He noted that his initial indoctrination into the SI program was quite unusual because the indoctrination itself was given by the parents of patients. He advised that the unusual indoctrination program was only the beginning of what he perceived to be quite unusual requirements imposed on patient families. He noted that in addition to the \$3,520 monthly fee for inpatient treatment, he and his family were additionally required to pay \$7 per day to cover his son's lodging. Further, he learned that he and [REDACTED] were expected to also come up with a fund raiser such as a golf tournament or a tennis tournament which would generate between \$30,000 and \$50,000 which would go to SI. He noted further that additionally, he and his wife were required to attend Tuesday and Friday evening meetings, and during same, a basket was passed and all attendees were

b6
b7C

209B TP-28810

b6
b7C

Continuation of FD-302 of [REDACTED], On 8/10/93, Page 3

expected to make a "voluntary" donation towards meeting SI expenses.

b6
b7C

Of further concern to [REDACTED] was the understanding that at the completion of Phase I of [REDACTED] treatment, he would be assigned to a host home which was an outpatient program with [REDACTED] going to the home of a fellow patient and spending the time between 8:00 a.m. and 5:00 p.m. daily in some sort of group therapy. [REDACTED] stated that [REDACTED] informed him that while [REDACTED] was attending the home of a fellow patient, they were expected to become a host home for other Phase II patients of SI.

[REDACTED] stated that at approximately this time he received a payment from BLUE CROSS AND BLUE SHIELD (BC/BS) supposedly covering two one-hour sessions with a psychotherapist. He noted that upon receipt of this payment, SI claimed that the money actually belonged to them because he had assigned all of the medical benefits of BC/BS at the time that [REDACTED] entered treatment. [REDACTED] stated that at this juncture, he called the psychotherapist who supposedly provided the services being paid for and at that time, learned that the therapist had seen [REDACTED] only on one occasion and that session only lasted 10 or 15 minutes. At this point, according to [REDACTED] he started demanding that he be shown the results of tests previously given to [REDACTED] and at that time, access to same was denied by SI employees.

b6
b7C

He noted that according to those providing the indoctrination to him and [REDACTED] the parents of patients ran the program for the most part and meetings were conducted along the lines of ALCOHOL ANONYMOUS meetings with public acknowledgement of chemical and/or alcohol dependency and the singing of songs. He advised that his son was not seen on a regular basis by what he perceived to be professional health providers, and for the \$3,500 per month fee, he expected better care for his son. [REDACTED] stated that when he started asking questions and challenging procedures [REDACTED] he was politely, but firmly told not to return to subsequent meetings.

b6
b7C

[REDACTED] stated that after two or three weeks of institutionalization, he had decided to get his son [REDACTED] out of the program, but at that time he was told that the young man was

b6
b7C

209B TP-28810

Continuation of FD-302 of _____, On 8/10/93, Page 4

b6
b7C

institutionalized pursuant to a court order and even if that was not the case _____ was afraid of her son and wanted him institutionalized until cured _____

_____ demanded an independent evaluation of his son when he challenged the diagnosis of alcoholism and poly-substance abuse, but this request was refused by SI personnel. He noted that in approximately the fifth week of _____ institutionalization, he served notice on SI that he would henceforth not pay the \$3,500 monthly fee. He noted that during one conference with SI personnel, he was personally diagnosed as an alcoholic and unfit to care for _____ simply because he admitted drinking two or three beers a day.

b6
b7C

_____ went on to advise that following all of the above, he began a letter writing campaign to both BC/BS (Fraudulent Claims) and the Joint Commission on Accreditation of Health Organizations (the lack of trained professionals) and he has since learned that as a result of his letter writing campaign, the license for SI was supposedly suspended during the period June through December 1989.

b6
b7C

_____ added that in approximately _____ additional pressure was placed on _____ to establish a host home at their residence and she consented to it thus resulting in four young men coming to the residence daily and associating with his then seven year old daughter. _____ stated that he proceeded _____ out of concern for the safety of his daughter with four "strangers" in his house _____

b6
b7C

_____ He advised that during this same period _____ was released and began a host home rehab program, but _____ and was returned to an inpatient status. He noted that in _____ escaped from SI causing over \$1,000 in property damage in the process and he was thereafter dropped from the program. He noted that through the intervention of others _____ was able to enter _____ rehab program _____

209B TP-28810

b6
b7C

Continuation of FD-302 of [REDACTED], On 8/10/93, Page 5

b6
b7C

[REDACTED] subsequently received a GED diploma, works [REDACTED] and resides with his mother in [REDACTED]

[REDACTED] stated that in approximately [REDACTED] he spoke with [REDACTED] at some length and at that time learned that [REDACTED] was subjected to physical beatings for the slightest infractions while institutionalized at the SI facility, and because of same, he entertained suing SI. He noted, however, that initial contacts with attorneys in [REDACTED] area determined that because SI had no assets, the attorneys expected \$20,000 up front before they would take the case. He noted that only one attorney, namely [REDACTED] was interested in taking on cases without up-front money, but she was only interested in those cases which resulted in harm to the former SI patients.

b6
b7C

Upon further inquiry [REDACTED] stated that records concerning his son's association with SI as well as the names of other families similarly treated are possibly in storage at his new residence and he would make every effort to locate same and provide them to the FBI at the earliest opportunity.

b6
b7C

[REDACTED] advised that he was never informed whether SI received scholarships or government funding for their programs and he explained the lack of information concerning these or other details of the SI operation by the fact that he never met anyone who appeared to be in authority. He advised that the only person who he ever dealt with in Florida was a large black male whose name was either [REDACTED] or [REDACTED] who claimed to be from the Washington, D.C., area and who had come to Florida to straighten out the St. Petersburg program.

b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 8/12/93

TO : SAC, TAMPA (209B TP-28810) (PRA)
 FROM : SAC, RICHMOND (209B TP-28810) (P)
 SUBJECT :

STRAIGHT, INCORPORATED;
 GANDY BOULEVARD,
 ST. PETERSBURG, FLORIDA
 FBW - INSURANCE
 OO: TP

Re Tampa airtel to Atlanta dated 6/25/93.

Enclosed for Tampa are the original and two copies of an FD-302 reflecting interview with along with an FD-340 containing investigative notes.

LEAD:RICHMOND DIVISIONAT

Will maintain contact with

to determine whether he has located records pertaining to his son's hospitalization.

②-Tampa (Enc. 4)
 2-Richmond
 HJM/sab
 (4)

1*

Approved: _____ Transmitted _____
 (Number) (Time)

Per

wlc sent

b6
 b7C

b6
 b7C

b6
 b7C

209B-TP-28810
NH/njm

b6
b7C
b7D

On 8/16/93 [redacted]
[redacted] telephone [redacted] (home) [redacted] Dallas
Division), telephonically contacted case agent (per [redacted]
[redacted] to advise that her son, [redacted] date of
birth [redacted]
[redacted] was formerly a patient of Straight, Inc. (SI).
[redacted]
[redacted] has insurance forms regarding their son's
treatment at an SI facility. According to [redacted] there is
a possibility that [redacted] and his insurance company were
double-billed by SI.

209B-TP-28810-3
BT BT

w/resent

CIA

[redacted]

1/12

b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/23/93

[redacted] (described below) was advised of the identity of the interviewing Agent and voluntarily provided the following information:

b6
b7C
b7D

[redacted]
[redacted]
[redacted] initially became involved with Straight, Inc. (SI) [redacted]
[redacted]

b6
b7C
b7D

According to [redacted] it was during [redacted] that suddenly and without warning [redacted] "disappeared". Numerous contacts with [redacted] parents, identified as [redacted] by [redacted] had negative results. It became apparent to [redacted] that [redacted] family knew [redacted] location but would not divulge this information to her or her family. Finally, through happenstance, [redacted] became aware [redacted] had been "placed" by her mother [redacted] and stepfather into a drug treatment program, known as SI, located on Gateway Blvd., Irving, Texas.

b6
b7C
b7D

When [redacted] determined that [redacted] was admitted into a drug treatment facility, she became upset. She stated that she knew [redacted] very well and there was no evidence that she had used and/or abused drugs/alcohol [redacted] was aware that just prior to [redacted] admission into SI, [redacted]

b6
b7C
b7D


Investigation on 8/16/93 at [redacted] File # 209B-TP-28810

b6
b7C
b7D

by SA [redacted] /njm Date dictated 8/19/93

209B-TP-28810-34
BT BT

w/cent

CH  H

b6
b7c

209B-TP-28810

Continuation of FD-302 of _____, On 8/16/93, Page 2

_____ explained that she and her family had become extremely close to _____ and over the course of time _____ had mentioned to _____

_____ explained that _____ did not have a good relationship with her mother _____

_____ tried numerous times to contact _____ at SI, Irving, Texas to no avail. SI would not let her _____ see _____ and all letters and phone calls were (apparently) withheld from _____ repeated attempts to contact _____ resulted in a civil law suit initiated by SI targeting _____ charges were dropped _____

_____ became increasingly interested in SI's operation and utilized "trash collecting" tactics in an attempt to communicate with _____ advised that _____

_____ began to dig through SI's trash cans. _____ advised that she visited several SI locations across the country and the information she provided (enclosed) is the accumulated result of her efforts.

_____ wrote several letters to various regulatory agencies regarding SI including the Texas Commission on Alcohol and Drug Abuse (TCADA), the Texas Attorney General's Office, law enforcement agencies identified as the Federal Bureau of Investigation (FBI) and the Travis County District Attorney's Office, etc.

As a result of the above-described experience _____ became more and more interested in the practices of SI. She was in possession of numerous documents resulting from "trash-raiding" expeditions and began to look closely at SI. She was amazed that a facility which was licensed as an outpatient facility by the Texas Attorney General's Office would bill insurance companies as a day/night facility. She advised that SI utilized an "inpatient health care claim form" which further deceived the insurance companies. On several claim forms, both room and board were charged to the insurance companies, when in fact, the patients (described as under 18 years of age) were housed in private homes.

b6
b7C
b7Db6
b7C
b7Db6
b7C
b7Db6
b7C
b7Db6
b7C
b7D

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 8/16/93, Page 3

b6
b7C
b7D

There is a notation on the insurance forms that the facility is "JCAHO" accredited. [REDACTED] explained that the Joint Commission for Accreditation of Hospitals, aka JCAH, is an accrediting body which insures that hospitals function according to appropriate standards/guidelines. The Joint Commission for Accreditation on Health Care Organizations, aka JCAHCO, in no way performs similar functions as the JCAH. [REDACTED] alleged that the notation "JCAHO" which was placed on the insurance claim forms was deceptive in that insurance company employees may see the notation "JCAHO" (rather than JCAH), become confused and forward the bill on for payment.

[REDACTED] believed [REDACTED] has ties to other health care organizations including [REDACTED] (not further described). [REDACTED] also surmized [REDACTED] may have devised the insurance schemes in conjunction with [REDACTED]

b6
b7C
b7D

[REDACTED] believes [REDACTED] are knowledgeable regarding health insurance companies and with this knowledge, could (and did) devise a scheme to defraud and deceive health care providers.

[REDACTED] alleged that [REDACTED] had no input regarding the admissions/monitoring of SI patients. [REDACTED] stated that only physicians are legally responsible for making notations on patients' charts and it is her understanding that SI "graduates" (those who have successfully completed the program) routinely document on the charts.

b6
b7C
b7D

[REDACTED] stated that during the course of her numerous conversations with parents of other SI patients, revealed that SI would collect pre-intervention treatment fees from parents which varied in amounts. [REDACTED] provided documentation that one parent paid \$3,950.00 directly to SI. In another instance,

b6
b7C
b7D

[REDACTED] advised that [REDACTED] had advised that SI owed her \$2,795.00 for a double payment to her insurance company. Although SI has acknowledged the overpayment, as of August, 1993, [REDACTED] has not received the money she is due.

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 8/16/93, Page 4

[REDACTED] provided to the San Antonio Case Agent, a large amount of documents which included what she described as patient copies of insurance claim forms that were found in the trash at various SI locations throughout the country.

b6
b7C
b7D

[REDACTED] recalled that on three (3) occasions in shuffling through the trash, she observed three (3) pieces of unopened mail addressed to SI patients.

[REDACTED] provided an example of one SI patient [REDACTED] (documentation enclosed) who was a patient in California. [REDACTED] found an insurance claim form which advised that [REDACTED] was at an SI facility in Marietta, Georgia. [REDACTED] contacted [REDACTED] parents who advised that to their knowledge he was only in an SI facility in California.

b6
b7C
b7D

[REDACTED]
[REDACTED] She additionally advised that she would be willing to travel to the Tampa FBI office if they needed additional information or further clarification regarding above.

b6
b7C
b7D

[REDACTED] is also knowledgeable of information regarding SI; she believed that he may have already been interviewed by the FBI, Tampa office.

[REDACTED] is described as follows:

b6
b7C
b7D

Name
Date of Birth
Height
Race
Sex
Social Security
Account Number
Texas Drivers
License Number
Address

5'5"
White
Female

Telephone

(home
(fax)

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 8/23/93

TO : SAC, TAMPA
 FROM : SAC, SAN ANTONIO (209B-TP-28810) (SQ. 12/ARA) (RUC)
 SUBJECT :

b6
 b7C

STRAIGHT, INCORPORATED,
 GANDY BOULEVARD, ST. PETERSBURG, FLORIDA;
 FBW - INSURANCE;
 OO: TAMPA

Re Tampa airtel dated 6/25/93 to Atlanta and receiving offices:

Enclosed for the Tampa Division are the following:

1) A 1-A envelope of information provided by regarding Straight, Inc. (SI) which may be of assistance in their case. These documents include letters from various state agencies, insurance forms, SI employee telephone lists, SI organizational charts, a handwritten letter various SI correspondence, faxed insurance information regarding general information which was initially provided by and additional information that she subsequently faxed to the Federal Bureau of Investigation (FBI), Austin office.

b6
 b7C
 b7D

2) An original and two copies of an FD-302 of interview of

b6
 b7C
 b7D

2 - Tampa (Encls.) *OK*
 1 - San Antonio
 NH/njm
 (3)

209B-TP-28810-35

But But

wksent

Approved: 7/7/93

Transmitted

(Number) (Time)

Per

CIA

b6
 b7C

- 3) 1-A envelope containing notes of interview of [REDACTED]

b6
b7C
b7D

- 4) An original and two copies of an insert.

Referenced Tampa lead requested the San Antonio Division to interview [REDACTED] Travis County District Attorney's Office (TCDA). Note: [REDACTED] is no longer employed by the TCDA, and telephonic conversation with [REDACTED] determined that no investigation was ever conducted by the TCDA, consequently they can be of no assistance in the matter.

b6
b7C
b7D

For the information of the Tampa Division, [REDACTED] appears to be unusually and intensely interested with the investigation or prosecution of SI. As Tampa will note, [REDACTED] has sent numerous documents via the fax machine until the San Antonio case agent advised that although appreciated, she could no longer tie up the fax machine and if and when further information is requested of her, the FBI would contact her. [REDACTED] is apparently ready and willing to travel to Tampa to provide additional information or assist the investigation should the Tampa office so desire. She stated that she has "boxes and boxes" of information obtained from SI's trash and although it is in no organized form, she is willing to provide this to the FBI if necessary.

b6
b7C
b7D

In view of the fact that no further investigation is being conducted in the San Antonio Division, this matter is considered RUC'd.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 9/10/93

TO : SAC, TAMPA (209B-TP-28810) (PRA)

FROM : SAC, BOSTON (209B-TP-28810) (P)

[REDACTED]
STRAIGHT, INCORPORATED;
Gandy Boulevard,
St. Petersburg, FL;
FBW - INSURANCE;
OO:TAMPA

For the information of Tampa [REDACTED]
 [REDACTED] Massachusetts Division of Insurance Consumer Service,
 280 Front Street, Boston, MA, advised that his department has no
 information regarding STRAIGHT, INCORPORATED.

The Massachusetts Division of Insurance Consumer Service
 deals with complaints against licensed insurance companies,
 agents or brokers. STRAIGHT, INCORPORATED is not an insurance
 company thus there would be no record of any complaint with the
 Massachusetts Division of Insurance Consumer Service.

On 8/20/93, [REDACTED] ARK-LES CORPORATION, 51 Water
 Street, Watertown, MA, telephone number (617)924-2330, advised
 that STRAIGHT, INCORPORATED, rented space at 53 Evans Drive,
 Stoughton, MA from 8/19/85 through 11/13/92. STRAIGHT,
 INCORPORATED leased 17,760 square feet of space at 53 Evans
 Drive. The rent for the above space from 8/85 through 1988 was
 \$7,400 per month. The rent from 1988 through 1991 was \$8,510 per
 month and from 1991 until 11/92 it was \$5,550 per month. The
 original lease for the above property was signed by [REDACTED]
 [REDACTED] on behalf of STRAIGHT FOUNDATION. From 8/91 through
 11/92, STRAIGHT, INCORPORATED was a tenant at will and they had

②-Tampa
 ②-Boston
 UJL:ljc
 (4)

Approved: DMO/JG

Transmitted

(Number) (Time)

Per

209B-TP-28810-36

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 27 1993	
[REDACTED]	

209B-TP-28810

an option to purchase the above building [redacted] stated that STRAIGHT, INCORPORATED was having financial problems and vacated the premises during 11/92 owing ARK-LES CORPORATION \$50,000 in back rent.

b6
b7c

On 9/7/93, it was determined through the Office of the Attorney General, Consumer Affairs Division, 131 Tremont Street, Boston, MA, that there were a total of six complaints filed against STRAIGHT, INCORPORATED since 1989.

LEAD:

BOSTON DIVISION

AT BOSTON, MASSACHUSETTS:

Will contact the Office of Attorney General, Consumer Affairs Division, 131 Tremont Street and obtain copies of the six complaints filed against STRAIGHT, INCORPORATED. Copies of these complaints should be forwarded to Tampa and any leads will be left to that division's discretion.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/25/93

[redacted]
[redacted] telephone number [redacted] was interviewed. He advised that his son, [redacted] telephone number [redacted] was 14 years old in [redacted] and had a drug problem. [redacted] stated that he was aware of Straight and he along with [redacted] telephone number [redacted] and work phone number [redacted] enrolled [redacted] in the Straight Program in Springfield, Virginia. He stated that [redacted] was at Straight from [redacted] until [redacted] when he ran away.

b6
b7C

[redacted] does not have copies of any bills or statements, however, recalled being billed within one week of [redacted] being admitted to Straight. He recalled being billed for blood work and urinalysis, however, he subsequently learned from his son that this was never done. He related that his son advised that he never spoke with or was counseled by a psychiatrist or psychologist. It was his son's belief that there were no doctors on the Straight premises.

b6
b7C

[redacted] was told by [redacted] of Straight in Springfield, Virginia, that he [redacted] would be billed and his insurance company (Kaiser) would also be billed. He was told by [redacted] that if his insurance company paid he would be reimbursed for the monies that he had paid to Straight. He recalled that [redacted] mentioned to him that there was government funding for some of these costs, however [redacted] never pursued this avenue of finance. He recalled being charged \$55 a day by Straight and was also supposed to pay the host family but never did. He explained that his son was to spend the majority of the day at the Straight facility and would spend the evening with a host family, usually someone who had a child in Straight in advanced programs.

b6
b7C

[redacted] stated that after his son left the program he received a bill from Straight headquarters in St. Petersburg, Florida in the amount of approximately \$3,600. [redacted] indicated

b6
b7C

Investigation on 8/16/93 at [redacted] File # 209B-TP-28810

b6
b7C

by SA [redacted] pef Date dictated 8/20/93

209B-TP-28810-37

wlc sent

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 27 1993	
FBI - TAMPA	
CTA	[Redacted] - 161

b6
b7C

Continuation of FD-302 of [REDACTED], On 8/16/93, Page 2

that he drove to Springfield, Virginia where he met with [REDACTED]. He told [REDACTED] that he was not going to pay the bill and that if Straight pursued the matter or if his credit report reflected a bad debt, he would sue Straight because it was a scam. He advised that he was not bothered by Straight for a few years.

b6
b7C

He related that in 1991 Straight moved from Springfield, Virginia to Columbia, Maryland. He stated that he along with [REDACTED] contacted the newspapers, had a demonstration for six months at Straight and attempted to have Straight thrown out of Maryland through state authorities.

b6
b7C

He recalled that he and his group conducted trash runs at Straight and obtained numerous documents pertaining to the boys and girls that were enrolled in the program. He related that [REDACTED] has most of this documentation.

He recalled that a doctor who was licensed in Virginia and not in Maryland was allegedly treating and billing patients for treatment at Columbia, Maryland. He could offer no further information at this time.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/25/93

[redacted] telephone number [redacted] was interviewed. She advised that her son [redacted] at age 15 had a drug and alcohol problem. She indicated that [redacted] Health Department gave her a list of treatment facilities. She related that Straight Inc. was the only facility on the list that would take her son without placing him on a waiting list. He was enrolled in the Straight Program at 5515 Backlick Road, Springfield, Virginia from [redacted] to [redacted] when he was asked to leave the program [redacted] went on to explain that she had begun to question Straight's program and motives and as a result her son was asked to leave. She stated that the co-administrators at Springfield were [redacted] and [redacted]
[redacted]

b6
b7C
b7D

She related that she and her ex-husband initially gave Straight \$6,000 and were obligated for an additional \$450 per month. She continued that at the time neither she nor her husband had insurance coverage as they had used the maximum on other treatment programs.

[redacted] further stated that her son initially became sick after joining Straight and had a 103 degree fever. She indicated that Straight was not caring for him properly and she threatened to take him out of Straight to her own doctor. She stated that she was subsequently called by the host parent who advised that her son had been seen by a doctor and had received medication [redacted] indicated that a member of Straight was assigned to a host family where they spent the night.

b6
b7C
b7D

[redacted] related that she became suspicious of Straight and eventually called an attorney [redacted] of the American Civil Liberties Union (ACLU) in Alexandria, Virginia, telephone number [redacted]. She was told that he had successfully prosecuted Straight for unlawful imprisonment of an individual. [redacted] sued Straight on her behalf and Straight settled out of court [redacted] related that the settlement agreement precludes her from discussing the amount.

b6
b7C
b7D

Investigation on 8/16/93 at [redacted] File # 209B-TP-28810-36
by SA [redacted]:pef Date dictated 8/20/93

b6
b7C
b7D

209B-TP-28810

b6
b7C
b7D

Continuation of FD-302 of [REDACTED], On 8/16/93, Page 2

She was not aware of any government funding or scholarship programs. She stated that she was billed for psychiatric sessions and/or testing, however, her son advised that he never received same. She also advised that a nurse was the only medical person at the Straight facility. She related that Straight subsequently closed the facility in Springfield, Virginia and moved to 9052 Old Annapolis Road, Columbia, Maryland in 1991. She stated that she along with [REDACTED]

b6
b7C
b7D

[REDACTED] picketed and protested at the Straight facility in Columbia. She stated that after approximately six months Straight closed their Columbia facility. She advised that [REDACTED] was the financial administrator and [REDACTED] the director of Straight in Columbia. She believed that they left Columbia owing back rent of approximately \$40,000.

She related that the only contact that she had with Straight in St. Petersburg, Florida was a threat by Straight to sue because of her efforts to close down the Columbia facility.

b6
b7C
b7D

[REDACTED] indicated that she conducted trash runs at Straight in Columbia and has in her possession numerous documents pertaining to the adolescent patients of Straight in Columbia. She also provided a list of employees of Straight while they were located in Maryland.

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/14/93b6
b7C

[redacted] Alcohol and Drug Commission, State of Maryland, 201 West Preston, Fourth Floor, Baltimore, Maryland 21201, telephone 225-6925, was interviewed. He related that Straight Incorporated was allowed to open a facility in Columbia, Maryland because it was believed that they had the proper accreditation to receive a Maryland license. He indicated that the state subsequently learned that Straight had no accreditation and went to court to force Straight to leave Maryland. He advised that Straight withdrew from the court proceedings and left the State before the matter was adjudicated.

b6
b7C

[redacted] approximately 150 telephone calls from parents of Straight participants regarding physical and mental abuse at Straight [redacted] additional complaints against Straight consisted of fraudulent billings for services including group or individual psychotherapy. He also stated that Straight was billing for services under a doctor's name even though the doctor had not treated the patients. He believed that information pertaining to the above-mentioned telephone calls had been destroyed. He also advised that when Straight left Maryland approximately two years ago, they vacated their building leaving behind records of numerous clients [redacted] believes that he has approximately ten boxes of records in storage that were collected from the Straight premises.

b6
b7C

[redacted] although he is willing to cooperate, he suggested that a court order (not a subpoena) would be needed to either view or obtain these records.

209B-TP-28810-39

INDEXED
SERIALIZED FILED

wlc sent

SEP 17 1993

CIA

[redacted]

b6
b7CInvestigation on 9/7/93 at Baltimore, Maryland F200B-TP-28810by SA [redacted] SSW Date dictated 9/13/93

STRAIGHT, GREATER WASHINGTON

b6
b7C

OFFICE LIST - July 31, 1990

<u>NAME</u>	<u>ROOM</u>	<u>EXT.</u>	<u>HOME PHONE</u>	<u>TITLE</u>
	8			Team I Leader
	Bookkeeping			Collect. Mgr.
	9			Prog. Counsel.
	15			Clinical Coor.
	4			AA/Fiscal
	Mezz.			Host Home
	11			Team II Leader
	File Room			Clerical Asst.
	Recept.Desk			Recept. P.T.
	8			Program Counselor
	Clinic			Program Nurse
	6			Admissions (F/T)
	6	Beeper		
	Alcove			Resource Sec
	Recept. Desk			Receptionist
	Sec'y Office			F/S Sec'y. P/T
	Clinic			Program Nurse
	10			Program Counselor
	14			Assoc. Admin./CS
	15			Sec'y. P/T
		All Call		Maintenance
		Beeper		
	8			Intern
	Sec'y Office			F/S Sec'y P/T
	3			Assist.Admin/RD
	Bookkeeping			Account. Clerk
	Bookkeeping			Insurance Coord
	9			Teacher
		Beeper		
	7			Team III Lead.
	2			Exec.Sec'y.
	15			Clinical Sec'y.
	11			Intern
	12			Intern
	10			Prog. Couns
	1			Administrator
	File Room			Med. Records
				Consultant

**BEEPER- Financials - see weekly schedule

FAX

Police (Franconia)

Potomac Message Ctr.

Woodbridge Pediatrics

* Home Phone Number for

922-0889

690-3003

690-1292

(See back)

209B-TP-288D-40

SEARCHED INDEXED
SERIALIZED FILED

1993

b6
b7C

Straight - Greater Washington

Office List, July 31, 1990

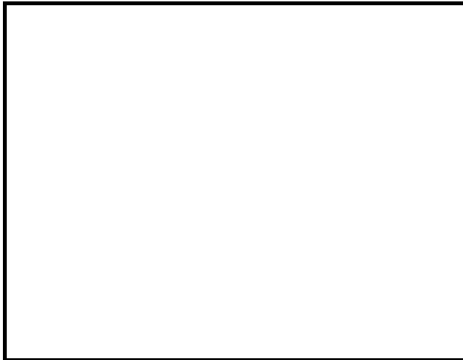
b6
b7C

NAME

OFFICE

HOME PHONE

TITLE



ANNE ARUNDEL FSC



Staff Trainee
Jr. Staff
Staff trainee
Sr. Staff
Sr. Staff
Sr. Staff
Senior Staff
Staff Trainee
Senior Staff
Staff Trainee
Staff Trainee




FAX

GREATER DELAWARE FSC



FSC Manager



FAX



FSC Manager

National Corporate Office 1 - 800 - 733-8929

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 9/15/93

TO : SAC, TAMPA (209B-TP-28810) *PRA*
FROM : SAC, BALTIMORE (209B-TP-28810) (SQ 7) (RUC)
SUBJECT :

STRAIGHT INCORPORATED,
GANDY BOULEVARD,
ST. PETERSBURG, FLORIDA
FRAUD BY WIRE - INSURANCE
OO: TAMPA

Reference Tampa airtel to Atlanta dated 6/25/93.

Enclosed for Tampa are the originals and three copies of three FD-302's taken at Baltimore, Maryland along with interview notes, Straight personnel list for the Baltimore, Washington area, and a bill for

Interview of disclosed that she has documentation regarding former patients of Straight in Columbia, Maryland.

Contact with disclosed he also has boxes of medical records which were abandoned by Straight when they left Columbia, Maryland; however, a court order would be needed to obtain these records.

② - Tampa (Enc.) *ca*
1 - Baltimore
HJM:ssw
(3)

Approved: _____ Transmitted _____
(Number) (Time)

Per

SEP 27 1993

209B-TP-28810-41

SEARCHED	INDEXED
SERIALIZED	FILED

CTA

b6
b7Cb6
b7Cb6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 10/7/93

TO : SAC, TAMPA (209B-TP-28810) (PRA)
 FROM : SAC, BOSTON (209B-TP-28810) (P)
 SUBJECT :
 ET AL
 FBW - INSURANCE
 (OO: Tampa)

b6
b7C

Re Boston airtel to Tampa, 9/10/93.

Enclosed for Tampa are copies of two complaints, further described below, filed against STRAIGHT, INC., and STRAIGHT ALCOHOL DRUG PROGRAM

b6
b7C

On 9/27/93, Consumer Complaint Section of the Office of the Attorney General of the Commonwealth of Massachusetts, 131 Tremont Street, Boston, MA, was contacted and request was made for that agency to provide the FBI with copies of complaints filed against STRAIGHT, INC.

On 10/6/93, supra, advised that her office retained copies of two complaints (enclosed herewith) re STRAIGHT, INC., and STRAIGHT ALCOHOL DRUG PROGRAM, both of 53 Evans Drive, Stoughton, MA. She further stated that other complaints are maintained at the individual consumer offices throughout the Commonwealth at which the complaints were made.

Boston is in the process of contacting above consumer offices in order to request complaints regarding STRAIGHT, and copies when received will be forwarded to OO.

2 - Tampa (Enc. 2)
 2 - Boston
 MET:met
 (4)

209B-TP-28810-42
 SEARCHED
 SERIALIZED
 OCT 14 1993
 FBI

b6
b7CApproved: 

Transmitted

(Number) (Time)

Per

wlc sent

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 10/26/93

TO : SAC, TAMPA (209B-TP-28810) (PRA)
 FROM : SAC, BOSTON (209B-TP-28810) (RUC)
 SUBJECT :
 ET AL
 FBW - INSURANCE
 (OO: Tampa)

b6
b7C

Re Boston airtel to Tampa, 10/7/93.

Enclosed for Tampa are copies of consumer complaints concerning STRAIGHT (etc.) as follows:

1. and 2.) From FALL RIVER
 COMMUNITY DEVELOPMENT SERVICE CENTER, INC.,
 Fall River, MA, telephone number
- 3.) / From SOUTH SHORE COMMUNITY
 ACTION COUNCIL, INC., Plymouth, MA,
 telephone number
- 4.) From CONSUMER ASSISTANCE
 COUNCIL, INC., Hyannis, MA, telephone
 number
- 5.) From CONSUMER COUNCIL OF
 WORCESTER COUNTY, Worcester, MA, telephone
 number
- 6.) / From CONSUMER COMPLAINT SECTION,
 Boston, MA, telephone number
 ext

b6
b7C

2 - Tampa (Enc. 6)
 1 - Boston
 MET:met
 (3)

209B-TP-28810-43
 FBI FIELD

OCT 29 1993

c/n
 w/c sent

b6
b7CApproved: *DMO/JH*

Transmitted

(Number) (Time)

Per

209B-TP-28810

It is to be noted that two other complaints have been filed against STRAIGHT prior to 1989. However, one location (consumer agency for Hampshire/Franklin) has been closed for a period of time and no one could be located who has knowledge of where, if at all, complaint would be lodged. At the other location (consumer agency for Dedham, MA), one [redacted] advised that due to the length of time elapsed the complaint is not retrievable.

b6
b7c

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/3/93b6
b7C

[redacted] white female, Date of Birth (DOB) [redacted]
[redacted] telephone [redacted]
[redacted] was advised of the identity of the interviewing
Agent and the purpose for the interview [redacted] made
available the following information:

CJD

[redacted] advised that her son [redacted]
entered the STRAIGHT, INCORPORATED (STRAIGHT) program on [redacted]
[redacted] and ran away on [redacted] as a result of
abuse which occurred at STRAIGHT.

b6
b7C

[redacted] never really understood the
payment program at STRAIGHT. Her family was required to pay
entrance fees and medical service fees initially, and then were
told they would be required to pay \$7.00 per day per child for
their food and residence at a host family, since STRAIGHT did not
have inpatient facilities [redacted] not all the parents paid
the \$7.00 per day and she was not sure of how the financing was
arranged.

[redacted] it was mandatory that all parents
participate in the bingo games which were held on Sunday or
Friday night in a hall off of U.S. Highway 19. This activity
collected "beaucoup money for STRAIGHT" [redacted] did request
financial statements from STRAIGHT during a family meeting held
on a Friday night; however, she was instructed to "sit down and
shutup" [redacted] no one actually knew where the
income went to from bingo or any other sources, despite the fact
there were numerous attempts to obtain a financial accounting for
the income.

b6
b7C

[redacted] did have BLUE CROSS/BLUE SHIELD OF NEW YORK while
her son was a client at STRAIGHT; however, they paid a very
limited amount. Her son did see a Psychiatrist, a [redacted]
however, only on one occasion and only for fifteen minutes upon
his entry into the program. To the best of her knowledge, most
of the staff had no formal background or training for this type
of therapy and in most cases, they were former clients of the
STRAIGHT program.

b6
b7C

Investigation on 10/28/93 at [redacted] File # 209B-TP-28810
by SA [redacted] lm Date dictated 10/29/93

b6
b7C

209B-TP-28810-44

SEARCHED INDEXED
SERIALIZED *BT* FILED *BT*

NOV 03 1993

CIA
w/c sent

[Handwritten signature]

b6
b7C

209B-TP-28810

Continuation of FD-302 of _____, On 10/28/93, Page 2

_____ again stated that if you asked any questions about the treatment or the finances, you were told that "this was not good for your child and he or she would suffer" _____ was never advised of what was included in the \$600 medical services, nor did she receive the results of any testing. The program "intimidated and ran your life and acted similar to cult-like behavior."

b6
b7C

_____ advised it was an extremely difficult time in her life due to the fact her son was abusing drugs and alcohol. However, since there were very few options available for the treatment of adolescents, she placed her son into the STRAIGHT program.

b6
b7C

Following her son's termination from the program _____ did have an outstanding debt; however, they were charged for the entire month of September even though their son was not active in the program for the month. Eventually _____ did settle with a collection agency to pay \$750 so that their credit would not be ruined. The collection agency from California, a _____ told _____ that if they did not pay "he would ruin their credit".

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/3/93b6
b7C

[redacted] Date of Birth (DOB) [redacted]
[redacted] Social Security Account Number (SSAN) [redacted] address
[redacted] telephone
[redacted] was advised of the identity of the interviewing Agent and the purpose for the interview. [redacted] made available the following information:

b6
b7C

[redacted] was a client at STRAIGHT, INCORPORATED in the Tampa Bay program, from [redacted] to [redacted] having been placed in this facility by his parents because of his abuse of alcohol and marijuana. [redacted] was terminated in this program. [redacted] Upon his release from this program [redacted] did enter into a drug and alcohol abuse treatment program identified as [redacted]

[redacted] approximately three weeks after being placed in the STRAIGHT program, his father [redacted] determined that this program was not going to meet the needs of his son, nor was it a treatment facility. [redacted] father then attempted to remove him from the program; however, his mother was insisting that the son remain in the program. [redacted] stated that this was one of the tactics of STRAIGHT, INCORPORATED, to convince the parents that if the child left, the child would then die. [redacted] was then blackballed from attending any meetings and [redacted] was told his father "hated him" and would not attend the family meetings. [redacted] only learned later that this information was not correct.

b6
b7C

[redacted] stated that this program was an outpatient facility; however, the clients were at STRAIGHT, INCORPORATED from approximately 8:00 a.m. to 8:00 p.m. While attending this program, [redacted] stated they were subject to various physical abuses inflicted by various clients.

b6
b7C

[redacted] advised that he did meet with a Psychiatrist, an "Indian doctor" whom he met during his initial visit for approximately 15 minutes. [redacted] was never treated by any other

b6
b7C

Investigation on 10/28/93 at [redacted] File # 209B-TP-28810

by SA [redacted] lm Date dictated 10/29/93

20918-TP-28810-45

SEARCHED BT INDEXED BT
SERIALIZED BT FILED BT

NOV 03 1943

CIA
w/c 500



46

b6
b7C

209B-TP-28810

Continuation of FD-302 of _____, On 10/28/93, Page 2

Psychiatrist during his stay at this facility. The group therapy consisted of all the clients getting together and "motivating one another" [redacted] does not believe that any of these individuals had any kind of degree or training. Most of the executive staff members at the program were graduates of the STRAIGHT program. [redacted] advised that these group therapy sessions had anywhere from 100 to 150 individuals attending at one time.

b6
b7C

Upon entering into the STRAIGHT program [redacted] advised that he was very confused and upset with his parents for placing him in this program. Because of this, he vaguely remembers having a urine test and believes that they took his blood for tests. During the initial entry into the program, he was held on the ground while other clients stripped searched his body for drugs.

b6
b7C

[redacted] stated that the concept of STRAIGHT was based on the Marine training theory. He stated that they would "break you down and then build you up." The problem with this program was that they never built the clients up, they were always scaring them and physically abusing them. [redacted] believed that his mother was in possession of insurance documents where the insurance company and family were billed by a Psychiatrist for treatment that he did not receive. This doctor did inform [redacted] father that there was an overcharge on the service part of the bill. [redacted] stated he would attempt to locate these insurance forms and make them available to the investigative agency.

b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/3/93b6
b7C

[redacted] white female, Date of Birth (DOB) [redacted]
[redacted]
telephone number [redacted] was advised of the identity of
the interviewing Agent and the purpose for the interview [redacted]
then made available the following information:

[redacted] was
a patient in the STRAIGHT, INCORPORATED (STRAIGHT) in [redacted] Her
insurance company refused to pay for this treatment because it
was not an in-patient psychiatric treatment facility [redacted] did
pay an initial fee of \$6,000 for medical services during the
first phase of [redacted] treatment; however, she was never
advised what these medical services include, nor was she notified
of the results of these tests.

Q 28

b6
b7C

[redacted] they were continually being
requested to provide additional funds after the initial lump sum
was requested. At no time did she nor [redacted]
[redacted] receive the results of any physical or medical reports,
despite the fact that this child was a minor.

b6
b7C

[redacted] "hates" the STRAIGHT program
because of everything it has done to her child and others.

b6
b7C

[redacted] the children were to be placed
with various host families during the evening when they were not
at the STRAIGHT program, as it was an outpatient facility. Male
clients were to go to a home where either a mother and a father
resided or just a father; and female clients were to go to homes
with both parents or a single woman [redacted]
[redacted]
[redacted]

[redacted] did withdraw [redacted] from this program.
STRAIGHT then threatened to take them to court for an outstanding
debt. [redacted] refused to pay the remaining debt of \$4,000 in
view of [redacted] A negotiation
settlement of a \$1,000 was reached between the parties.

b6
b7C

Investigation on 10/28/93 at [redacted] File # 209B-TP-28810
by SA [redacted] lm Date dictated 10/29/93

b6
b7C

009TB-TP-28810-46

SEARCHED INDEXED
SERIALIZED FILED

NOV 03 1993

CIA



[Handwritten signature]

w/c sent

b6
b7C

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 10/28/93, Page 2

[REDACTED] In addition to not obtaining any medical records, [REDACTED] advised that although they were "handing money out all the time", they were never billed, nor did they receive any paperwork from STRAIGHT regarding the billing procedures or services provided.

b6
b7C

[REDACTED] had no idea of the credentials of those individuals treating the clients, other than at one time they had also been clients of STRAIGHT. [REDACTED] stated she asked many questions, however, could never get answers to these questions.

b6
b7C

[REDACTED] advised that they placed their child in this program because their insurance carrier would not pay for treatment of drugs, and they could not afford the cost of an in-patient drug rehabilitation facility at [REDACTED] or any other hospital. STRAIGHT was the cheapest program available which treated adolescents for drug and alcohol abuse.

b6
b7C

United States District Court

MIDDLE

FLORIDA

DISTRICT OF

TAMPA DIVISION

(B) 4 93-77609

TO:

SUBPOENA TO TESTIFY BEFORE GRAND JURY

b3

SUBPOENA FOR:

☐ PERSON☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

U.S. COURTHOUSE
611 NORTH FLORIDA AVENUE
TAMPA, FLORIDA 33602

COURTROOM

GJ 93-3-15

GRAND JURY ROOM

DATE AND TIME

NOVEMBER 30, 1993
9:30 A.M.

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

b3

b6

b7C

If you have any questions, please contact Special Agent FBI,
at 813-581-9938.

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

DAVID L. EDWARDS

DATE

(BY) DEPUTY CL

NOVEMBER 4, 1993

b6

b7C

This subpoena is issued on application
of the United States of America

UNITED STATES ATTORNEY
MIDDLE DISTRICT OF FLORIDA

NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY

ASSISTANT UNITED STATES ATTORNEY
500 ZACK STREET, SUITE 400
TAMPA, FLORIDA 33602 (813) 225-7440

*If not applicable, enter none

209B-TP-28810-47

RETURN OF SERVICE (1)

RECEIVED BY SERVER	DATE 11-16-93	PLACE Clearwater, Fla.
SERVED	DATE 11-16-93	PLACE [Redacted]
SERVED ON (NAME) [Redacted]		

b3
b6
b7C

SERVED BY [Redacted]	TITLE [Redacted]
[Redacted]	JA

STATEMENT OF SERVICE FEES

TRAVEL	SERVICES	TOTAL

DECLARATION OF SERVER (2)

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct.

Executed on 11-16-93
Date

811 West Bay St. Bay FL
Address of Server

ADDITIONAL INFORMATION

As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

"Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 11/16/93

TO : DIRECTOR, FBI
 (LABORATORY DIVISION, ROOM 3223
 ATTN: [REDACTED]
 FROM : SAC, TAMPA (209B-TP-28810) (PRA) (P)
 SUBJECT : [REDACTED]
 ET AL;
 STRAIGHT INCORPORATED;
 FBW-INSURANCE;
 OO: TAMPA

Reference Tampa telephone call from Special Agent
 (SA) [REDACTED] to [REDACTED] FBIHQ, Room
 3223.

Enclosed for the FBIHQ, Laboratory Division, is [REDACTED]
 [REDACTED]

REQUEST OF FBIHQ, LABORATORY DIVISION:

The Laboratory Division is requested to [REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED] Tampa

Division is appreciative of the Laboratory Division's
 cooperation in this matter.

3 - Bureau (Enc. 1)

② - Tampa

CFB:tar

(5)

209B-TP-28810-48

SEARCHED

INDEXED

SERIALIZED

FILED

wlc sent

C/A [REDACTED]

Approved: _____

Transmitted _____

(Number)

(Time)

Per _____

b6
 b7C

b6
 b7C
 b7D

b6
 b7C

209B-TP-28810

Referenced investigation involves STRAIGHT INCORPORATED, an Adolescent Alcohol and Drug Treatment Facility, headquartered in St. Petersburg, Florida, with programs located throughout the United States. The Tampa Division is currently investigating allegations of insurance fraud to include double billing and billing for service which were not provided to the patients.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 11/10/93

TO : SAC, ATLANTA
 FROM : SAC, TAMPA (209B-TP-28810) (PRA) (P)
 SUBJECT :

STRAIGHT, INCORPORATED,
 GANDY BOULEVARD,
 ST. PETERSBURG, FLORIDA;
 FBW - INSURANCE;
 OO: TAMPA

ReTPairtel to Atlanta dated 6/25/93, and
 Baltimore's airtel to Tampa dated 9/15/93.

Enclosed for Dallas, Jacksonville, New York,
 Richmond and Tampa Divisions are Federal Grand Jury subpoenas.
 Also enclosed for the Miami Division at West Palm Beach, is a
 memo dated 12/17/91.

2-Atlanta
 2-Baltimore
 2-Dallas (Enc. 2)
 2-El Paso
 2-Houston
 2-Jacksonville (Enc. 1)
 2-Miami (Enc. 1)
 2-New York (Enc. 1)
 2-Philadelphia
 2-Richmond (Enc. 1)
 2-San Antonio
 2-Tampa (Enc. 1)
 CFB:lm
 (22)

209B-TP-28810-49
 SEARCHED _____
 INDEXED _____
 SERIALIZED BT
 FILED BT

W: Sent

C/A *W!*

Approved: _____ Transmitted _____ Per _____
 (Number) (Time)

b6
 b7C

b6
 b7C

For information of receiving offices, this case was initiated upon the receipt of a referral from the UNITED STATES ATTORNEY'S OFFICE, Middle District of Florida. STRAIGHT, INCORPORATED was a non-profit adolescent substance abuse treatment organization with headquarters in St. Petersburg, Florida, and facilities operating throughout the United States. At its prime, STRAIGHT had ten program throughout the United States, Canada, and fourteen satellite offices. Only one facility, which is located in Atlanta, Georgia, remains open.

Parents of adolescents with a substance abuse problem were required to pay anywhere from \$14,000 to \$19,000 to STRAIGHT for an 18 month course of treatment at the time of admission. The parents were required to assign their interest in their insurance claims directly to STRAIGHT, INCORPORATED. STRAIGHT would then submit the claims to the various insurance companies for payment indicating they were an in-patient service facility. Instead of reimbursing the parents when the payments were received from the insurance companies, the money was maintained by STRAIGHT for payroll and other operating expenses. When the insurance companies failed to notify the parents of the reimbursement to STRAIGHT, STRAIGHT did not notify the parents that they had received reimbursement for the same services. In addition, the investigation has indicated that on some occasions services billed to the insurance carrier were not actually rendered.

From 1988 to 1990, STRAIGHT was experiencing severe cash flow difficulties. Some explanations for these difficulties can be attributed to over expansion, a decrease in patient admissions, several large settlements regarding their treatment of patients, and mismanagement of funds.

STRAIGHT did layoff numerous employees and instituted a five percent reduction in pay for all remaining employees. Interviews conducted to date determine that while these reductions were instituted, the managers of the organizations [REDACTED]

[REDACTED] continued to receive high salaries, numerous benefits, and utilization of the company credit cards for personal use in light of the reduction or non-receipt of a pay raise. The personal use of credit cards included travel to Las Vegas; bikini waxing; dinners; and travel expenses to include a ski trip to California and Spain.

Receiving offices who are requested to conduct interviews with parents of former patients are requested to include the following questions in these interviews:

1. How did the families become involved with STRAIGHT.
2. How long was their child a patient at STRAIGHT, and what type of care was received, to include psychiatric and psychological counseling, and what physician counselled their child.
3. The amount of fees charged, and any explanation of these fees that they may have received from management of STRAIGHT, INCORPORATED.
4. Identify the insurance carrier which provided coverage for the treatment at STRAIGHT, INCORPORATED, to include the name of the insurance company and a contact number or a representative of the insurance company.
5. Inquire of the parents as to whether or not they obtained any results of testing conducted by STRAIGHT, INCORPORATED, and their understanding of the services provided and the service included in the \$600 medical payment required upon admission.
6. Inquire of the parents as to whether their child was an inpatient at STRAIGHT, INCORPORATED, in view of the fact that their insurance companies were billed for room and board services.
7. Inquire of the parents as to whether they were refunded money from STRAIGHT, INCORPORATED from their insurance reimbursements.
8. In addition, inquire in the interview of former clients or parents of clients of STRAIGHT, INCORPORATED as to whether they were informed of any scholarship or government funding programs, and whether or not they received these funds.
9. Did these individuals have any interaction with the headquarters facilities in St. Petersburg, Florida, and if so, who was their contact within STRAIGHT?

Please obtain any and all documents regarding insurance payments and billing only. During the interviews, it is requested that these individuals be asked if they are aware of any other individuals who experienced similar problems with STRAIGHT, INCORPORATED and if additional individuals are identified, receiving offices are requested to make contact with these individuals in their Divisions.

LEADS:

ATLANTA DIVISION

AT [REDACTED]

Locate and interview [REDACTED]

[REDACTED] a former employee of STRAIGHT, INCORPORATED. Inquire of [REDACTED] his position at STRAIGHT, tenure, to include his responsibilities. Information developed indicates that [REDACTED] may have knowledge of fraudulent medical records being created. Inquire of [REDACTED] as to whether medical records were falsified and at whose direction.

BALTIMORE DIVISION

AT BALTIMORE, MARYLAND

Re-contact [REDACTED]

[REDACTED] and obtain all documents in her possession.

Re-contact [REDACTED] Alcohol and Drug Commission, State of Maryland, 201 West Preston, Fourth Floor, Baltimore, Maryland, telephone (410)225-6925, and inquire as to why he is requesting a court order for the documents left by STRAIGHT in Maryland. [REDACTED]

[REDACTED]

Locate and interview [REDACTED]

[REDACTED] former employee of STRAIGHT, INCORPORATED, regarding her knowledge of the STRAIGHT program in Maryland. [REDACTED] telephonically contacted the Largo Office of the FBI and advised that she did have information regarding the funds obtained in Maryland [REDACTED]

[REDACTED] also has information regarding the double billing of insurance payments. Ascertain from [REDACTED] knowledge of any of the parents or employees who may have information regarding the double billing for insurance payments. If these individuals are located in the Baltimore Division, Baltimore is requested to contact and interview these individuals.

DALLAS DIVISION

AT [REDACTED]

Interview parents [REDACTED]

[REDACTED] in reference to their association with STRAIGHT, INCORPORATED. Dallas Division is requested to use the aforementioned questions in this airtel for guidance in their interview.

AT DALLAS, TEXAS

Contact [REDACTED]

[REDACTED] to identify the current whereabouts of [REDACTED]

[REDACTED] is residing in [REDACTED] at this time.

Dallas Division is requested to locate and identify [REDACTED] and inquire of her the following information: Her position and responsibilities at STRAIGHT, INCORPORATED; knowledge of the doctors on staff and if physicians were present during treatment of the children; was STRAIGHT, INCORPORATED JACHO approved or JACH approved, and what information was provided to the insurance carrier; inquire as to whether STRAIGHT provided room and board services as an in-patient facility to their clients/patients, and if not, why were the insurance companies billed for room and board services.

Ascertain from [REDACTED] as to why there was a difference in fees submitted to the insurance companies for services provided to various clients. Have [REDACTED] explain the services which were provided in the initial \$500 entrance fee and the \$600 medical fee. Were the parents of the clients notified as a result of these tests and, if not, why not? Inquire of [REDACTED] as to whether she was aware that the National Headquarters was not returning insurance refunds to the parents of the clients. Ascertain from [REDACTED] who gave this order and who was the Dallas contact in St. Petersburg, Florida at the National Headquarters.

Inquire of [REDACTED] if individuals from the National Headquarters did travel to the Dallas Division and identify who these individuals were and what was the purpose of their trip.

Investigation reveals that [REDACTED] did resign from STRAIGHT. Inquire of [REDACTED] the terms of the contract arrangements with various physicians and psychiatrists, whether or not a psychiatrist was actually

209B-TP-28810

b6
b7C

present during treatment of the clients, and her knowledge as to why [redacted] resigned from STRAIGHT, INCORPORATED.

AT [redacted]

Issue subpoena to [redacted]
[redacted]

b3
b6
b7C

Issue subpoena to [redacted]
[redacted]
[redacted]

AT [redacted]

Locate and interview [redacted]
[redacted]

b6
b7C

AT [redacted]

Locate and interview parent [redacted]
[redacted] and [redacted]
[redacted]

b6
b7C

EL PASO DIVISION

AT EL PASO, TEXAS

b6
b7C

Locate and interview [redacted]
[redacted]

Please
utilize questions enclosed in this airtel as a guide in the
interview.

HOUSTON DIVISION

AT HOUSTON, TEXAS

b6
b7C

Interview [redacted]
[redacted]
[redacted]

Locate
and interview [redacted]
[redacted]

JACKSONVILLE DIVISION

b3

AT [REDACTED]

Issue subpoena to [REDACTED]
[REDACTED]

MIAMI DIVISION

AT [REDACTED]

b6
b7C

Locate and interview [REDACTED] former employee of STRAIGHT, at [REDACTED]
[REDACTED] Inquire of [REDACTED] his position and tenure with STRAIGHT and his chain of command. Inquire of [REDACTED] his involvement in the financing and collections of accounts receivable and the utilization of these referenced funds.

Enclosed in the airtel is [REDACTED]
[REDACTED] Identify who [REDACTED] are, and an explanation of [REDACTED]

[REDACTED] Inquire of [REDACTED] if he utilized a credit card and if he had knowledge of executive officers utilizing corporate credit cards for their personal use. If the credit cards were used for personal use, who directed employees to use same for this purpose.

NEW YORK DIVISION

b3
b6
b7C

AT [REDACTED]

Issue subpoena to [REDACTED]
[REDACTED]

PHILADELPHIA DIVISION

AT [REDACTED]

b6
b7C

Locate and interview parent [REDACTED]
[REDACTED]

[REDACTED] regarding a billing problem with STRAIGHT, INCORPORATED. Please utilize reference questions as a guide in this interview.

AT [REDACTED]

b6
b7C

Locate and interview [REDACTED]

Inquire of [REDACTED]

the following:

His position, responsibilities, tenure, and supervisor while employed with STRAIGHT.

Information regarding travel and reasons for travel expenses approved and the use of credit cards for personal expenses.

Knowledge of STRAIGHT management's policy not to refund insurance payments to families.

Knowledge of services provided to clients to include services provided in \$600 medical fee and if physician or psychiatrist was present during group therapy sessions.

RICHMOND DIVISION

AT [REDACTED]

b3

Issue subpoena to [REDACTED]

SAN ANTONIO DIVISION

AT [REDACTED]

b6
b7C

Locate and interview parents [REDACTED]

[REDACTED] regarding their association with STRAIGHT, INCORPORATED. Please utilize questions enclosed in the body of this airtel as a guide.

AT SAN ANTONIO, TEXAS

b6
b7C

Locate and interview [REDACTED]

[REDACTED] Please utilize questions included in this airtel as a guide during this interview.

TAMPA DIVISION

AT [REDACTED]

Locate and interview former employee [REDACTED]

[REDACTED] and obtain the information to the following questions: Inquire of [REDACTED] the services that were included in the \$600 medical service fee required at admission of the patient, and as to whether the parents were informed of the results of these tests. Does [REDACTED] have any information or knowledge of STRAIGHT billing insurance carriers for room and board services. Inquire of [REDACTED] whether STRAIGHT was an in-patient or out-patient facility. Was [REDACTED] ever directed to not reimburse/refund parents when insurance carriers made payment to STRAIGHT, INCORPORATED. If so, who directed her not to refund the parents?

Inquire of [REDACTED] her knowledge or information of the JACHO approval for STRAIGHT, and if she were aware if this approval was necessary for insurance carriers to cover the cost of care at STRAIGHT. Inquire of [REDACTED] the utilization of corporate credit cards for professional and personal use. [REDACTED] should explain the procedure of reimbursement or travel vouchers required by STRAIGHT to verify that the expenses were business related. Was [REDACTED] ever instructed or informed she could use STRAIGHT's credit card for her personal use, and if so, who informed her of this directive?

AT [REDACTED]

Issue subpoena to [REDACTED]
[REDACTED]

b6
b7C

b6
b7C

b3

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 11/5/93

TO : SAC, TAMPA (209B TP-28810) (PRA)
 FROM : SAC, RICHMOND (209B TP-28810) (RUC)
 SUBJECT :

STRAIGHT, INCORPORATED
 GANDY BOULEVARD,
 ST. PETERSBURG, FLORIDA
 FBW - INSURANCE
 OO: TP

Re Richmond airtel to Tampa dated 8/12/93.

Richmond has maintained contact with

During contacts has advised that he has been unable to locate any written documentation concerning captioned program.

Noting the above, the Richmond Division has decided to RUC this matter pending receipt of further instructions from the office of origin.

209B-TP-28810-50

ST ST

②-Tampa
 2-Richmond
 HJM/sab
 (4)

1*

w/c sent.

CLA

Approved: _____ Transmitted _____ (Number) (Time) Per _____

b6
 b7C

b6
 b7C

b6
 b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/17/93

[redacted] White Male. Date of Birth (DOB) [redacted]
[redacted] telephone number [redacted] extension [redacted]
[redacted] was advised of the identity of the interviewing agent and the purpose of the interview. [redacted] then made available the following information:

b6
b7C
b7D9
(7)b6
b7C
b7D

[redacted] attributed the crisis at STRAIGHT to the changing in the housing of the patients, DEPARTMENT OF HEALTH AND REHABILITATIVE SERVICES (HRS) regulations and laws, waste of limited resources by the management, and the hiring of friends and relatives who had little or no knowledge of STRAIGHT, INCORPORATED's business. [redacted] stated [redacted] hired [redacted]

b6
b7C
b7D

[redacted] for [redacted] and [redacted]
[redacted] wife of [redacted] was hired as [redacted]
[redacted] because "she wanted to travel with her husband."

[redacted] stated STRAIGHT, INCORPORATED did restructure their organization for tax reasons. STRAIGHT, INCORPORATED became STRAIGHT FOUNDATION which was a holding company for all the assets. STRAIGHT, INCORPORATED was restructured to maintain all current assets and current liabilities. STRAIGHT FOUNDATION was supposed to be responsible to raise capital for STRAIGHT, INCORPORATED, however, they failed in this venture.

b6
b7C
b7D

The STRAIGHT, INCORPORATED national headquarters was responsible for establishing policies, procedures and controlling the accounting functions for all the programs nationwide.

b6
b7C
b7D

Investigation on 11/2/93 at [redacted] File # 209B-TP-28810
by SA [redacted] :rp Date dictated 11/4/93

209B-Tp-28810-51

INDEXED
SERIALIZED *But* FILED *But*

NOV 17 1993

FBI - TAMPA

w/c sent

S/A

b6
b7C

209B-TP-28810

Continuation of FD-302 of _____, On 11/2/93, Page 2

Approximately six months after securing employment,

_____ was in this position prior to _____
_____ did meet _____ on one occasion after being hired by
STRAIGHT _____ should have "warned
him of the mess".

b6
b7C
b7D

_____ does not know what
bills were paid when they submitted funds to _____
believes that _____

_____ may have utilized the credit cards for their
personal use. _____ advised that he was going to notify the
Board of Directors of the problems but decided against it when he
secured outside employment and also because he felt that no one
would believe him. _____

b6
b7C
b7D

At
this time _____ did make _____ available to the FEDERAL
BUREAU OF INVESTIGATION (FBI).

b6
b7C
b7D

_____ also later
learned that _____ purchased the television system at
STRAIGHT, INCORPORATED for \$200 although its actual value was
\$3,500.

b6
b7C
b7D

_____ it was STRAIGHT, INCORPORATED's
policy not to make refunds to parents of the client who had
insurance coverage. _____ however, did
attempt to reimburse parents whenever it was possible, yet, most
times the money from the reimbursements was already spent.
_____ felt _____ was incompetent _____ was always at

209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 11/2/93 , Page 3

b6
b7C
b7D

the "track" thereby causing management deficiencies. It is [REDACTED] opinion that there was no question that the executive staff was aware of the financial problems.

[REDACTED] stated he had no knowledge or information regarding the insurance bills nor the services associated with the fees that the parents paid.

b6
b7C
b7D

[REDACTED]
Both [REDACTED] were paid well over \$100,000 [REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED] was aware that [REDACTED] did travel to Spain [REDACTED]

b6
b7C
b7D

[REDACTED] This trip was "supposedly a business trip" and was charged to STRAIGHT, INCORPORATED. These individuals may have also traveled to South America at the expense of STRAIGHT, INCORPORATED.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/17/93b6
b7C
b7D

[redacted] White Female,
Date of Birth (DOB) [redacted] was advised of the identity of
the interviewing agent and the purpose for the interview [redacted] *Q*
then made available the following information: *CHB*

[redacted] is currently employed at [redacted]
[redacted] was
employed at STRAIGHT INCORPORATED [redacted]
from [redacted] to [redacted] direct
supervisor was [redacted] responsibilities included

b6
b7C
b7D

[redacted] stated all accounting services for the STRAIGHT,
INCORPORATED programs were centralized at the national
headquarters in St. Petersburg, Florida. For years, management
had allowed the accounts receivable to remain uncollected.
However, when STRAIGHT began to experience cash flow problems,
the management incorporated an aggressive collection posture.
These changes created additional problems due to the fact
families and clients became extremely upset with the new
collection procedures.

b6
b7C
b7D

[redacted] attributed the cash flow problems to bad press, a
downward trend in the market base, and management's unwillingness
or inability to react to these changes. Despite the decrease in
revenues, management failed to curtail spending of their
resources. It is [redacted] opinion, management had underestimated
the seriousness of the financial crisis.

b6
b7C
b7D

Investigation on 11/2/93 at [redacted] File # 209B-TP-28810
by SA [redacted] rp Date dictated 11/4/93

b6
b7C
b7D

209A-Tp-28810-52

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 17 1993	
FBI - TAMPA	

w/c sent

C/A



b6
b7C

209B-TP-28810

b6
b7C
b7D

Continuation of FD-302 of _____, On 11/2/93, Page 2

b6
b7C
b7D

_____ was responsible for reviewing all the accounts which included the credit card charges. _____ did utilize the STRAIGHT corporate account for personal use. _____ established an accounts receivable for the executive staff whereby _____ did repay all their personal expense charges to the STRAIGHT account. _____ believes that _____ may have also used the STRAIGHT AMERICAN EXPRESS credit card for her own personal use. _____ stated _____ may have confused her personal AMERICAN EXPRESS card with STRAIGHT. _____ can recall _____ engaging in conversations with _____ regarding payment of these charges.

b6
b7C
b7D

_____ established the policy that all insurance refunds would be deposited into a general account for STRAIGHT, INCORPORATED. These funds were then utilized for operating expenses of STRAIGHT INCORPORATED. _____ did, on occasion, in opposition to this policy direct program directors in the field to refund the parents this insurance payment. _____ stated at one time, approximately \$200,000 of their resources were, in fact, refunds of insurance payments and should have been repaid to the families.

b6
b7C
b7D

_____ was aware of the cash flow problems when he instituted the insurance refund policy. _____ was just buying time" with the insurance funds for the operation of STRAIGHT.

b6
b7C
b7D

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 11/2/93, Page 3 b6
b7C
b7D

[REDACTED] advised STRAIGHT required the parent to execute their assignment of insurance benefits upon admission of their child despite the fact they would have made full payment for the services.

[REDACTED] does not believe that the Board of Directors were aware of the true severity of the financial problem. [REDACTED]

b6
b7C
b7D

[REDACTED]
[REDACTED]
[REDACTED] feels that the programs throughout the country "crumbled" under the management of the corporate headquarters [REDACTED] concluded the interview by advising that at one time, [REDACTED]

b6
b7C
b7D

Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA) (P) Date 11/29/93

From : FA [REDACTED]

b6
b7C

Subject: [REDACTED]

STRAIGHT, INCORPORATED,
GANDY BOULEVARD,
ST. PETERSBURG, FLORIDA;
FBW - INSURANCE;
OO: TAMPA

Re: Tampa airtel to Atlanta, dated 11/10/93.

Referenced airtel set forth lead to writer. As of
11/29/93, this lead has been covered.

② - Tampa
TLB:elb*
(2) *TLB*

209B-Tp-28810-53

But But

C/A



1/1

w/c sent

b6
b7C

United States District Court

MIDDLE

FLORIDA

DISTRICT OF

TO:

TAMPA DIVISION

(B) 93-77609 (5)

SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

☐ PERSON

☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

U.S. COURTHOUSE
611 NORTH FLORIDA AVENUE
TAMPA, FLORIDA 33602

COURTROOM

GJ 93-3-15

GRAND JURY ROOM

DATE AND TIME

NOVEMBER 30, 1993
9:30 A.M.

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

If you have any questions, please contact FBI, at 813-581-9938.

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

DAVID L. EDWARDS

DATE

(BY) DEPUTY CLERK

NOVEMBER 4, 1993

This subpoena is issued on application
of the United States of America

UNITED STATES ATTORNEY
MIDDLE DISTRICT OF FLORIDA

OF ASSISTANT U.S. ATTORNEY

ASSISTANT UNITED STATES ATTORNEY
500 ZACK STREET, SUITE 400
TAMPA, FLORIDA 33602 (813) 225-7440

*If not applicable, enter "none"

209B-T P-28810-54

RETURN OF SERVICE (1)

RECEIVED BY SERVER	DATE 11/23/93	PLACE 500 Zack St, Tampa, FL
SERVED	DATE 11/26/93	PL [Redacted]
SERVED ON (NAME)	[Redacted]	
SERVED BY	[Redacted]	TITLE Financial Analyst
TRAVEL	T OF SERVICE FEES	
		TOTAL

b3
b6
b7C

DECLARATION OF SERVER(2)

I declare under penalty of perjury under the information contained in the Return of Service

the foregoing is true and correct.

Executed on

Date

11/26/93

Signature of Server

Address of Server

500 Zack Street, Tampa, FL

ADDITIONAL INFORMATION

(1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.
 (2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/3/93

[redacted] white female, born [redacted]
[redacted] Social Security Account Number [redacted] residing at
[redacted] telephone [redacted]
[redacted] (non-published), was interviewed concerning her former
employment by STRAIGHT, INCORPORATED.

b6
b7C
b7D

[redacted] was hired by STRAIGHT [redacted]
[redacted]
[redacted] worked at STRAIGHT locations
[redacted]

b6
b7C
b7D

[redacted] questioned regarding certain specific areas
of inquiry:

[redacted] STRAIGHT charged patients an
admission fee of \$500.00, which was to cover the initial
interview and preparation of the initial treatment plan. A
\$600.00 medical services fee was also charged. This covered
services rendered by contract physicians and hospitals in
connection with the initial psychiatric evaluation, gathering of
medical history, and physical examination.

b6
b7C
b7D

[redacted] generally, the results of tests
conducted under the medical services fee were not made known to
parents of patients. No affirmative effort was made to do so,
unless a need was recognized to exchange information with
parents. On occasion, in certain "critical situations", when
parents requested information, conferences were held, and results
were discussed in general; however, parents were never shown the
records themselves.

b6
b7C
b7D


[redacted] does indeed have knowledge of
STRAIGHT billing insurance companies for room and board, in spite
of the fact that STRAIGHT was an out-patient operation. She
stated that, due to the way "fee structures were set up", it was

b6
b7C
b7D

(telephonically)

Investigation on 12/3/93 at [redacted] File # 209B-TP-28810b6
b7C
b7Dby SA [redacted] jot Date dictated 12/3/93

209B-Tp-28840-55

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 3 1981	
CA	

[Handwritten signature]

b6
b7C

209b-TP-28810

Continuation of FD-302 of [REDACTED]

, On 12/3/93 , Page 2

b6
b7C
b7D

often difficult to justify some of the fees for purposes of insurance reimbursement. The object of "manufacturing" fees or "structuring" fees was to relieve the patients of the financial burden of having to shoulder the expense of the programs.

[REDACTED] was often ordered by "corporate" in St. Petersburg to accept patients who clearly could not pay, and whose insurance would not pay for much of the service rendered. She was then instructed to tailor the fees to fit whatever the insurance companies would pay [REDACTED] that these orders came directly [REDACTED]

b6
b7C
b7D

[REDACTED] of STRAIGHT [REDACTED] [REDACTED] would perform background investigations on prospective patients to see what they could afford, examine their insurance coverage, contact the insurance companies to learn exactly what was covered; and then the description of services and fees would be tailored to meet whatever was allowed. "U.B. 82" forms would be "structured around" the client's benefits.

[REDACTED] at the various STRAIGHT locations, however, she could not recall names at present. She might be able to locate names [REDACTED]

b6
b7C
b7D

[REDACTED] was instructed on numerous occasions by [REDACTED] not to refund parents, even though insurance payments were received by STRAIGHT. These instructions were issued repeatedly, by memoranda, in conference calls and at meetings. This was when STRAIGHT began to suffer cash flow problems. The practice became so prevalent that [REDACTED] Parents would become antagonistic and refuse to cooperate. [REDACTED]

b6
b7C
b7D

[REDACTED] before STRAIGHT could apply for insurance proceeds, accreditation was required by the JOINT COMMISSION OF ACCREDITED HEALTH CARE ORGANIZATIONS (JCAHO). She stated that when STRAIGHT first began operating, it had no JCAHO

209b-TP-28810

Continuation of FD-302 of [REDACTED], On 12/3/93, Page 3

STRAIGHT. Eventually, "corporate" in St. Petersburg met with JCAHO and received accreditation at the national level. JCAHO required, however, that each individual location be accredited. Nevertheless, "corporate" instructed locations to claim that they were accredited, on the theory that they were covered by the national certificate held by "corporate". When proof of accreditation of a location was required by an insurance company, a copy of the "corporate" certificate would be sent. [REDACTED] advised that this did not seem to matter to anyone until JCAHO made an issue of it.

b6
b7C
b7D

[REDACTED] corporate credit cards, VISA cards, were issued to employees for business purposes only.

b6
b7C
b7D

[REDACTED]
[REDACTED] was never instructed to use the cards for personal expenses, but is very much aware that "corporate" officers in St. Petersburg used them freely for personal reasons. In addition to the VISA cards, "corporate" officers had AMERICAN EXPRESS cards. [REDACTED] recounted many examples of recreational trips, personal purchases and other personal uses of the corporate credit cards, to include the payment of a veterinarian's bill, and the authorization of "corporate" staff by [REDACTED] to use the cards for personal "shopping sprees" for entire families.

b6
b7C
b7D

[REDACTED] each month, the bills for "corporate" charges were divided among the nine locations, which were expected to absorb the expense, having to produce additional income to cover the pro-rated "corporate" credit card charges. This was often a very sizeable figure for a given location, in the thousands of dollars.

[REDACTED]
[REDACTED] would be available at the above telephone number, equipped with an answering machine, should it be necessary to recontact her.

United States District Court

MIDDLE

FLORIDA

DISTRICT OF

TO:

TAMPA DIVISION

(B) 93-77609 (7)

SUBPOENA TO TESTIFY BEFORE GRAND JURY

b3

SUBPOENA FOR:

☐ PERSON☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

U.S. COURTHOUSE
611 NORTH FLORIDA AVENUE
TAMPA, FLORIDA 33602

COURTROOM GJ 93-3-15

GRAND JURY ROOM

DATE AND TIME

NOVEMBER 30, 1993
9:30 A.M.

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

b3
b6
b7C

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

DAVID L. EDWARDS

DATE

NOVEMBER 4, 1993

(BY) DEPUTY CL

This subpoena is issued on application
of the United States of America

UNITED STATES ATTORNEY
MIDDLE DISTRICT OF FLORIDA

ER OF ASSISTANT U.S. ATTORNEY

ASSISTANT UNITED STATES ATTORNEY
500 ZACK STREET, SUITE 400
TAMPA, FLORIDA 33602 (813) 225-7440

b6
b7C

209B-TP-28810-56

RETURN OF SERVICE (1)

RECEIVED BY SERVER	DATE 11/29/93	PLACE Richmond, Virginia
SERVED	DATE 11/29/93	PLACE <div style="border: 1px solid black; width: 150px; height: 20px;"></div>

SERVED ON (NAME)

SERVED BY

TITLE

Financial Analyst

STATEMENT OF SERVICE FEES

TRAVEL <div style="border-bottom: 1px solid black; width: 100px;"></div>	SERVICES <div style="border-bottom: 1px solid black; width: 100px;"></div>	TOTAL <div style="border-bottom: 1px solid black; width: 100px;"></div>
---	---	--

DECLARATION OF SERVER (2)

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct.

Executed on 11/29/93
Date

111 Greencloud Road Richmond, VA 23225
Address of Server

ADDITIONAL INFORMATION

As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.
 "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

b3
b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 11/30/93

TO : SAC, TAMPA
 FROM : SAC, RICHMOND (209B-TP-28810) (RUC)
 SUBJECT :

STRAIGHT, INCORPORATED,
 GANDY BOULEVARD,
 ST. PETERSBURG, FLORIDA;
 FBW - INSURANCE;
 OO : TAMPA

Re Tampa airtel to Atlanta dated 11/10/93.

Enclosed for Tampa is original subpoena dated
 served on
 by FA of the
 Richmond Division.

For the information of Tampa, the recipient of
 subpoena

As no further investigation remains this matter is
 RUC by Richmond.

2 - Tampa (ENC. 1) *u*
 2 - Richmond
 /TMD
 (4)

209B-TP-28810-57

Approved: *SK/pel*

Transmitted

(Number) (Time)

Per *EEB* 6 1993

FBI - TAMPA

alt

rec at pra 12/17/93

*w/c sent**c/A*b6
b7Cb3
b6
b7Cb6
b7C

United States District Court

MIDDLE

FLORIDA

DISTRICT OF

TAMPA DIVISION (B) 93-77609 (6)

TO:

SUBPOENA TO TESTIFY BEFORE GRAND JURY

ATTN:

SUBPOENA FOR:

☐ PERSON☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

U.S. COURTHOUSE
611 NORTH FLORIDA AVENUE
TAMPA, FLORIDA 33602

COURTROOM GJ 93-3-15

GRAND JURY ROOM

DATE AND TIME ~~NOVEMBER 30, 1993~~ DECEMBER 15, 1993
9:30 A.M. *aj*

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

If you have any questions, please contact Special Agent FBI,
at 581-9938.

Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

DAVID L. EDWARDS

DATE

(BY) DEPUTY CLERK

NOVEMBER 4, 1993

This subpoena is issued on application
of the United States of America

UNITED STATES ATTORNEY
MIDDLE DISTRICT OF FLORIDA

PHONE NUMBER OF ASSISTANT U.S. ATTORNEY

ASSISTANT UNITED STATES ATTORNEY
500 ZACK STREET, SUITE 400
TAMPA, FLORIDA 33602 (813) 225-7440

209B-T P-28810-58

b3
b6
b7Cb3
b6
b7Cb6
b7C

RETURN OF SERVICE (1)

RECEIVED BY SERVER	DATE 11/30/93	PLACE 26 FEDERAL PLAZA, N.Y., N.Y.
SERVED	DATE 12/1/93	PLACE [Redacted]
SERVED ON (NAME) [Redacted]		

b3
b6
b7C

SERVED BY [Redacted]	FINANCIAL ANALYST
-------------------------	-------------------

STATEMENT OF SERVICE FEES

TRAVEL	SERVICES	TOTAL

DECLARATION OF SERVER (2)

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service is true and correct.

Executed on 12/1/93
Date

Sig

26 Federal Plaza, N.Y.
Address of Server

ADDITIONAL INFORMATION

As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

"Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/1/93

On

[redacted] was served with
a Federal Grand Jury Subpoena for the Middle District of Florida.

b3
b6
b7C

209B-TP-28810-59
BT BT

C/A

Investigation on 12/1/93 at NEW YORK, N.Y. File # 209B-TO-28810

by FA [redacted] Date dictated 12/1/93

b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 12/2/93

TO : SAC, TAMPA (209B-TP-28810)
 FROM : ADIC, NEW YORK (209B-TP-28810) (C 33) (RUC)
 SUBJECT :

STRAIGHT, INCORPORATED,
 GANDY BOULEVARD,
 ST. PETERSBURG, FLORIDA;
 FBW - INSURANCE;
 OO: TAMPA

Re Tampa Airtel to Atlanta dated 11/10/93, and New York telephone call to SA on 11/30/93 and 12/1/93.

Enclosed for Tampa are 1) original and one copy of executed Federal Grand Jury Subpoena and 2) original and one copy of FD-302 regarding service of above said subpoena.

For information of Tampa, New York received referenced airtel on the original return date on the subpoena. Writer contacted SA in the Tampa Division and was instructed to change the subpoena return date from November 30, 1993 to December 15, 1993.

As there are no outstanding leads in the New York Office, this matter is being placed in a RUC'D status.

② - ~~Tampa~~ Jacksonville (encls 4)
 1 - New York
 BJJ/bj
 (3)

209B-TP-28810-60

SEARCHED	INDEXED
SERIALIZED	FILED

Approved: _____

Transmitted _____

(Number) (Time)

b6
b7Cb6
b7Cb6
b7C

United States District Court

MIDDLE

DISTRICT OF

FLORIDA

TO:

TAMPA DIVISION

(B) 3

93-77609

SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

☐ PERSON☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

U.S. COURTHOUSE
611 NORTH FLORIDA AVENUE
TAMPA, FLORIDA 33602

COURTROOM GJ 93-3-15

GRAND JURY ROOM

DATE AND TIME

NOVEMBER 30, 1993
9:30 A.M.

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

If you have any questions, please contact Special Agent FBI,
at 813-581-9938.

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

DAVID L. EDWARDS

DATE

(BY) DEPUTY

NOVEMBER 4, 1993

This subpoena is issued on application
of the United States of America

UNITED STATES ATTORNEY
MIDDLE DISTRICT OF FLORIDA

NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY

ASSISTANT UNITED STATES ATTORNEY
500 ZACK STREET, SUITE 400
TAMPA, FLORIDA 33602 (813) 225-7440

*If not applicable, enter "none"

209B-T P 58810-61

b3

b3
b6
b7C

b6
b7C

RETURN OF SERVICE (1)

RECEIVED BY SERVER	DATE 11/23/93	PLACE FBI, Jacksonville
SERVED	DATE 11/29/93	PLACE
SERVED ON (NAME) <div style="border: 1px solid black; height: 40px; width: 100%;"></div>		
SERVED BY <div style="border: 1px solid black; height: 30px; width: 100%;"></div>		TITLE Special Agent
STATEMENT OF SERVICE FEES		
TRAVEL	SERVICES	TOTAL

b3
b6
b7C

DECLARATION OF SERVER (2)

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service is true and correct.

Executed on 11/29/93
Date

FBI, Jacksonville
Address of Server

ADDITIONAL INFORMATION

Served with attachments regarding

1 As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

2 "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 12/3/93

TO : SAC, TAMPA (209B-TP-28810) (PRA)
 FROM : SAC, JACKSONVILLE (209B-TP-28810) (RUC)
 SUBJECT :

STRAIGHT, INC.,
 Gandy Boulevard
 St. Petersburg, Florida;
 FBW - INSURANCE;
 (OO: TAMPA)

Re Tampa airtel to Atlanta, 11/10/93.

Enclosed for Tampa is the original of the subpoena
duces tecum that was served on

On 11/29/93

was served with a
 copy of the enclosed subpoena (with attachments) that was
 previously provided to Jacksonville by Tampa with the above
 referenced airtel.

Inasmuch as no investigation remains for
 Jacksonville, this matter is RUC'd.

② - Tampa (Enc. 1) *OK*
 1 - Jacksonville
 RMP/fla
 (3)

1*

209B-TP-28810-62

Approved: *JVC/B*

Transmitted

(Number) (Time)

wlc sent

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 10 1993	
Per	<i>[Signature]</i>

b6
b7Cb3
b6
b7Cb6
b7C

209-TP-28810
CB:cw

- 1 -

The following investigation was conducted by Special Agent [REDACTED] on December 2, 1993:

b6
b7C

[REDACTED]
[REDACTED] telephone number [REDACTED] advised that he has limited records regarding STRAIGHT, INCORPORATED; however, they would be forwarded to the FEDERAL BUREAU OF INVESTIGATION (FBI) in Largo, Florida. [REDACTED] also agreed at this time to be interviewed regarding his association with STRAIGHT, INCORPORATED, by FBI agents in Dallas, Texas. [REDACTED] did state that he was not

[REDACTED]

209-Tp-28810-63

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 08 1993	
FBI - TAMPA	

c/a [REDACTED] *[Signature]*

b6
b7C

enc sent

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/8/93

[redacted] Date of Birth [redacted] telephone
number [redacted] telephonically contacted this office to
speak with Special Agent [redacted] [redacted] then made
available the following information:

b3
b6
b7C

[redacted] advised that she was in receipt of a Federal
Grand Jury subpoena regarding [redacted]

[redacted]
[redacted] did agree to be interviewed by FEDERAL
BUREAU OF INVESTIGATION agents in Dallas, Texas, regarding her
association with this facility.

209B-TP-28810-64

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 8 1993	
FBI - TAMPA	

CIA [redacted]

b6
b7C

Investigation on 12/1/93 at Clearwater, Florida File # 209-TP-28810

by SA [redacted] CW Date dictated 12/2/93

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 12/8/93

TO : SAC, DALLAS
 FROM : SAC, TAMPA (209B-TP-28810) (PRA) (P)
 SUBJECT :

STRAIGHT, INCORPORATED,
 GANDY BOULEVARD,
 ST. PETERSBURG, FLORIDA
 FRAUD BY WIRE - INSURANCE
 (OO: TAMPA)

Reference Tampa airtel to Atlanta dated November 10, 1993.

Enclosed for Dallas Division is

Referenced airtel to Atlanta requested the Dallas Division issue subpoenas to

Both of these individuals are in receipt of their Federal Grand Jury subpoenas and have contacted the Tampa Division to advise that they would be willing to be interviewed by FBI agents

2 - Dallas (Enc. 1)
 2 - Houston
 ② - Tampa
 CB:cw (6)

209B-TP-28810-65
 SEARCHED
 INDEXED
 SERIALIZED
 FILED

wlc sent

C/A M!

Approved: _____ Transmitted _____ (Number) (Time) Per _____

b6
 b7C

b3
 b6
 b7C

b6
 b7C

209B-TP-28810

During these interviews, it is requested that the following questions be included in the interviews:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.

Enclosed for

[Redacted]

[Redacted]

b3

b3

209B-TP-28810

[Redacted]

b3
b6
b7C

LEADS:

DALLAS DIVISION

AT [Redacted]

Interview [Redacted]

[Redacted]

Tampa Division is also resetting leads previously submitted on the November 10, 1993, airtel.

AT [Redacted]

Interview [Redacted]

[Redacted]

AT [Redacted]

Interview [Redacted]

[Redacted]

b6
b7C

HOUSTON DIVISION

AT HOUSTON, TEXAS

Interview [Redacted]

[Redacted]

AT [Redacted]

Interview [Redacted]

[Redacted]

AT [Redacted]

Interview [Redacted]

[Redacted]

b6
b7C

209B-TP-28810

b6
b7C

AT [REDACTED]

Interview [REDACTED]
[REDACTED]

AT [REDACTED]

Locate and interview [REDACTED]
[REDACTED]

Houston Division is requested to utilize referenced questions in the November 10, 1993, airtel to their division in these interviews.

b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/8/93

[redacted] white female. Date of Birth [redacted]
Social Security Account Number [redacted] home address [redacted]
[redacted] telephone number [redacted]
[redacted] place of employment [redacted]
[redacted] telephone number [redacted] was advised
of the identity of the interviewing agent and the purpose for the
interview. [redacted] then made available the following information:

[redacted] advised she is currently employed at [redacted] *248*
[redacted] Prior to this position [redacted]
was employed for STRAIGHT, INCORPORATED, from [redacted] to [redacted]
responsibilities at STRAIGHT, INCORPORATED, included [redacted]
[redacted]
[redacted] Toward the end of
her employment, [redacted] predominately was concerned with [redacted]
[redacted] had limited
involvement in the hiring or firing of employees since this was
generally conducted at the program level.

[redacted] direct supervisor was [redacted]
[redacted] stated she had no involvement in the accounting functions of
STRAIGHT, INCORPORATED; and if she learned of any information
regarding the payment of bills or credit cards, it was through
[redacted] There would be no reason or occasion where the
financial data would be submitted to her [redacted]
[redacted] did not interact often
with the executive staff.

The executive staff included [redacted]
[redacted] who were responsible for the clinical side of STRAIGHT.
Both of these individuals did travel extensively throughout the
United States administering and managing the various programs.
[redacted] also travelled because he was involved with the
[redacted]
[redacted] was not in the marketing department of
STRAIGHT, INCORPORATED. [redacted] was hired to

Investigation on 11/30/93 at St. Petersburg, Florida File # 209-TP-28810

by SA [redacted] CW Date dictated 12/2/93

209B-TP-288D-67

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 8 1993	
FBI TAMPA	
CTA	

wlc sent

b6
b7C

209-TP-28810

Continuation of FD-302 of [REDACTED], On 11/30/93, Page 2

b6
b7C

monitor and administer the family service centers. The family service centers were created to recruit patients in areas where STRAIGHT, INCORPORATED, did not have a treatment facility.

[REDACTED] advised that she did have a credit card issued from STRAIGHT INCORPORATED [REDACTED]

b6
b7C

[REDACTED] During her tenure at STRAIGHT, INCORPORATED [REDACTED] travelled only on two occasions. If there are dinner expenses on her credit card, it would have been related to [REDACTED]

[REDACTED] was not present when the Tampa Bay program closed in June of 1993. The employees remaining at the facility included [REDACTED] and possibly [REDACTED]

b6
b7C

[REDACTED] again stated that she had no involvement in the cash flow or financial aspects of STRAIGHT, INCORPORATED. In addition, she did not participate in the insurance billing or accounting functions for insurance payments from the patients' families.

b6
b7C

209B-TP-28810
JCK:jck*

The following investigation was conducted by Financial Analyst (FA) [redacted] on January 4, 1994 in Largo, Florida. Attached to this insert are [redacted]

b3
b6
b7C

209B-TP-28810-68
SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]
JAN 04 1994

c/A [redacted] alk
wlc sent

b6
b7C